1986 Quinquennial Review

SUMMARY REPORT

City of Toronto Planning and Development Department
Robert E. Milliward, Acting Commissioner
December 1986

1 Introduction

The Central Area Plan, adopted by City Council in January 1976, was the result of a comprehensive re-evaluation of the future direction and form of Toronto's Central Area and its relationship with the entire Metropolitan area. The Plan sought to ensure that valuable aspects of the City, its neighbourhoods, historic buildings and shopping streets would not be destroyed through redevelopment. It also sought to promote mixed-use development within the Central Core, to encourage people to live downtown, and to reverse the trend to areas of segregated land use, in order to achieve a more diversified Central Area. Finally, consistent with the metropolitan goal of creating a multi-centred urban structure based on development nodes of high transit accessibility, the principle of deconcentration of office employment growth within the Metropolitan Area was an important component of the Plan.

The Part I Plan for the Central Area put in place provisions which require reviews at five year intervals of certain aspects of the Plan. In particular, indicators relating to the office deconcentration policies are to be reviewed. Such a review is required in 1986.

In addition to meeting the relatively narrow requirements of the Plan regarding the Quinquennial Reviews, the 1986 Review looks at all the major policy initiatives of the Central Area Plan in order to evaluate their continued relevance. This broader review also fulfills the requirement of Section 26 of the Planning Act that, at least every five years, municipal councils consider whether or not an existing official plan requires revision.

As a result of this broader review, the 1986 Quinquennial Review identifies certain policy areas where reviews or new initiatives are required.

In addition to this Summary Report, the 1986 Review consists of:

- **The Overview Report** - which describes in detail the basis for the conclusions reached in the Review; and

- **The Background Papers** - a series of eight technical reports which address the specific requirements of the Plan regarding quinquennial reviews and related areas of research.

2 The Experience of the Last Ten Years

In the ten-year period since the introduction of the Plan, the Central Area and, in fact, the entire Toronto Region, have undergone considerable change in economic, social and physical terms. Several of the events of the past decade were anticipated and, in the Central Area, some were called for by the Plan. Some changes, however, were not anticipated. Whether intended, predicted or not, all have had, and will continue to have, a significant bearing on the achievement of the goals and objectives of the Central Area Plan.

Changes to the Form and Quality of the City

In many respects the Plan's objectives for encouraging mixed commercial and residential development have been very successful in modifying the physical and social quality of the Central Area. The Central Core enjoys a diversity of land uses and a growing residential population. The response to the Plan's initiatives respecting mixed-use and the importance of a residential population Downtown has confirmed the wisdom of these objectives. Significant progress toward achieving other objectives linked to the goal of improving the quality of the urban environment, such as historic preservation, improved pedestrian amenities and increased parks and open space, has also been made. As well, a resurgence of street-related retail activity has occurred.

Application of the Plan's principles south of Front Street has begun that area's transformation from what was once the bulwark of the "old industrial city" to an area that is rapidly becoming as diverse and vital as the remainder of the Central Area to the north.

These changes to the form and quality of the City can be considered a major success of the Plan.

Changes in the Economy of the City and the Region

General trends in the economy will continue to have an impact on the economic and social life of the City. Over the past ten years, extensive and rapid changes in the economy have had an impact on employment growth, travel patterns and the socio- economic characteristics of the people who work and live in the City.

The 1986 Review has identified several important trends which will have a significant impact on the Central Area.

The Information Economy

The restructuring of occupations and industries which has occurred since 1971 illustrates the extent to which the Toronto Region has become an information based service economy. It is estimated that by 1981, fully 55% of the region's labour force was engaged in activities whose primary functions were related to the production, processing and distribution of information. Within the Central Area, data indicate an increasing specialization of management and professional functions.

Technological Impacts

Computer and telecommunication networks, which represent the new infrastructure of the information economy, will have a major impact on locations such as Toronto, which are highly

information-oriented. It can be expected that the dominance of the Toronto Region and, in particular, the City of Toronto will grow. It is expected that many businesses will exploit economies of scale by consolidating management, professional and data processing activities at corporate head offices located in the City.

At the same time, advances in telecommunications have allowed many Central Area businesses to relocate numerous "back-office" activities, such as routine clerical and data processing, to less expensive suburban space, located in closer proximity to the rapidly expanding suburban labour market.

The Nature of Employment

One out of every two new jobs created in the Toronto Region between 1971 and 1981 was either clerical or managerial in nature. Growth in the community, business and personal services sector outstripped all other industrial sectors, capturing 38% of all employment growth.

According to Metro's latest survey of employment, office jobs now make up 42% of all jobs in Metropolitan Toronto. In addition to being the largest employment sector in Metro, the office sector is also the fastest growing. The total number of office jobs in Metro has more than doubled over the past fifteen years.

One of the more notable changes in the composition of our labour force over the past ten years has been the steady rise in the percentage share of working women and part-time workers. Participation rates for women have jumped from 53% to 63% since 1976. In the City of Toronto, the total number of persons working part-time has almost doubled since 1976.

Changes in Floor Space Per Worker (FSW)

As a result of trends in employment and the economy, there has been an increase in the rate at which floor area is used. The estimated floor space per worker (FSW) ratio for the Central Core has grown substantially. Since 1975 the average FSW grew by roughly 14%, from 22.9 square metres in 1975 to 26.0 square metres in 1985.

Population and Employment Growth

Between 1981 and 1986, 86% of the population growth in the Toronto Region occurred in the regional municipalities surrounding Metropolitan Toronto. Metro's population grew by only 35,000, with most of this growth confined to the City of Scarborough. Over this same period, the population of the fringe increased by 223,000.

Current population projections suggest that nearly all of the region's future growth (97%) will occur outside Metropolitan Toronto, although increased growth in the Central Area is also forecast. A large share of the growth in the Region will likely be made up of persons who will work in Metropolitan Toronto.

Employment projections indicate that employment growth within Metro Toronto will outstrip the projected increase in workers who live in Metro. The net result of these trends will be longer work trips and a large increase in cross-Metro boundary commuting. To some extent, the rate of increase in commuting into the Central Area may be off-set by the effect of increased residential development in the Central Area, attracting a large residential labour force that both lives and works Downtown.

3 Deconcentration in Principle

Since 1976, the land use component of the Central Area Plan has undergone considerable modification. The upper end of the original range of office control limits for the Central Core, which extended to between 6.5 m. square metres and 8.18 m. square metres of floor space, has now been raised to approximately 9.75 m. square metres and new areas of office development, largely south of Front Street, have been opened up.

A long-term imbalance between the development and transportation capacities of the Central Area now exists. This situation has given rise to the development of a number of proposals to increase the capacity of the road and transit systems serving the Central Area which, if implemented, will in certain cases require amendments to the City's and Metro's Official Plans.

Will amendments to the land use component of the Central Area Plan and the anticipated changes to the transportation policies combine to significantly weaken the deconcentration strategy which forms one of the major principles upon which the Plan is based? This question can be basically addressed in two parts:

- Based on the experience of the last ten years it can be seen that the Plan was never intended to place a permanent limit on the amount of permitted office development in the Central Core, but rather sought to control the rate of development in order to permit major transportation investments to be focussed upon the planned suburban sub-centres. In this respect, the Plan has proven successful. With the exception of incremental expansions to the GO Transit system, there will have been no major Central Area transportation improvements made over the 1976-91 period. In the meantime, the sub-centres will have increasingly developed.

- As the sub-centres become established, their future growth is not expected to be critically dependent on the level of development permitted in the Central Area. At today's more mature phase of the deconcentration strategy, the importance of retaining rigid restrictions on the level of Central Area commercial development has lessened. Consequently, the general principle of limiting office development in the Central Area to the level of available transportation capacity in order to promote the wider deconcentration strategy requires re-casting.

Since the success of the deconcentration strategy will continue to be affected by the timing and priority of major transportation improvements within the Metropolitan area, the future challenge will be to achieve a balance in the pattern of Metro infrastructure improvements to ensure that continued support is given to the growth of the sub-centres, while not ignoring the long-term transportation needs of the Central Area.

4 Deconcentration in Practice

What has happened over the last ten years?

- The rate of office development within the Central Core is comfortably within the established 1986 review limit of 6.4 million square metres and is not expected to breach the 1991 limit of 7.0 million square metres.

- The Financial District remains the first priority for growth, accounting for 56% of all office development in the Core since 1976.

- The supply of office space has rapidly suburbanized. Between 1976 and 1985 the rate of office growth in the suburbs has averaged 228,000 square metres per year compared to an average of 155,000 square metres in the Central Area.

- Demand for space in the suburbs has also grown over this period. Since 1976, the demand for space in the Central Area has gradually declined, while demand for suburban space has continually strengthened.

- The Central Area accounts for the largest share of office space in the Region (55%), followed by office parks (23%), sub-centres (15%) and office space in dispersed locations (7%).

- While the Central Area has remained the primary centre of office development in the Region, its share of the Regional total of office space has declined from 68% to 55% over the 1976-85 period.

The suburbs have emerged as a strong alternative since 1976. However, the suburban growth has largely occurred in auto-oriented office parks or dispersed locations. There has been a slight strengthening of the transit-oriented suburban locations since 1980. However, it is difficult to conclude that an overall trend towards the consolidation of office space in sub-centres is occurring, despite the successes of the major sub-centres in North York and Scarborough.

The suburbanization of office growth is a strong and growing phenomenon in the Toronto Region. The extent to which this rapid growth has occurred in accordance with the Metropolitan plan for a multi-centred urban structure is a matter which must be addressed by the Metropolitan Commissioner of Planning in his five-year review of Metroplan.

5 Transportation Improvements

Regional Improvements

With the exception of incremental improvements to GO-transit, the City's Official Plan policies will have been successful in postponing the need to implement major Central Area oriented transportation facilities over the 1976-91 period. However, the long-term imbalance that is emerging between development potential and transportation capacities serving the Central Area means that road as well as transit improvements will be required at some point in the future.

A number of transportation proposals are currently being considered. If implemented, the package of proposals and options listed below are thought to be able to accommodate the highest estimates of potential employment growth in the Central Area over the next twenty years. These are:

Roads:
- The Front Street Extension
- The Widening of the Gardiner
- Don Valley Corridor/Leslie Street Extension Options

Transit:
- Incremental Expansion of GO Rail
- GO/TTC Fare and Service Integration
- Harbourfront LRT
- Spadina LRT
- Downtown Relief Line

In the broadest sense, the transportation improvements listed above provide an indication of the likely level and type of infrastructure investment required to maintain a long-term balance between transportation capacity and development capacity in the Central Area, based on current knowledge and assumptions.

Incremental improvements to the GO-train system serving Union Station, along with fare and service integration with the TTC, are seen as the current transit priorities for the Central Area. The Front Street Extension and Gardiner widening are seen as the priority road improvements needed to accommodate increasing levels of auto commuting from the rapidly expanding areas of population growth to the west and north of Metro in Peel and York Regions.

Beyond these most immediate priorities, it is difficult to accurately predict the need for and timing of other Central Area transportation improvements. Primarily as a result of the 1983 Central Waterfront Transportation Study and the 1986 Network 2011 report, the long-term framework of possible transportation improvements has been identified and the individual elements of this framework have been listed above. However, certain elements are presented only as long-term options (such as the proposals for the Downtown Relief Line and the Leslie Street Extension) and may never prove to be needed or might be replaced by what are found in the future to be more appropriate alternatives.

It would be misleading to attempt to define a rigid schedule for the implementation of a precise set of Central Area transportation improvements over the next twenty or so years. Instead, it is recommended that the greatest attention be given to the immediate transportation priorities and that subsequent commitments to other elements of the overall framework be based upon further reviews at later dates.

It is the conclusion of this Quinquennial Review that the City's transportation policies should generally reflect an incremental approach to transportation planning which allows improvements to be made in stages, as required, while establishing a monitoring and review process to ensure that needed services can be provided at the appropriate time.

Among the important criteria to be monitored annually in the future will be the trends in modal split, the impacts of Central Area residential development on commuting levels, the impact of part-time workers on travel demand, the changing composition of office employees and associated changes in their travel patterns, and the changing use of the existing office stock as new, technologically advanced buildings are developed.

Specific amendments to Section 7: **Transportation** of the Official Plan, are not recommended at this time; however, a review of that section should be undertaken within the coming year. The purpose of such a review would not be to reverse the general direction of the City's current transportation policies but rather to modify those policies to better address the present problems associated with maintaining an adequate balance between land use development and transportation capacities.

Local Improvements

There is a tendency to over-emphasize the question of the need for major regional transportation improvements resulting from the growth of Central Area office development and employment at the expense of other local issues and improvements. There are many important local transportation improvements currently under study that offer considerable potential for improved local traffic and pedestrian movement within the Central Area and, included among these, are:

1. The proposed changes to the Gardiner/Lake Shore ramp system between Bathurst and Jarvis Streets;
2. The new local road system for the Railway Lands, including the rebuilding and widening of the Spadina Avenue bridge and new north-south road connections across the rail corridor;
3. The Dufferin Street jog elimination and extension;
4. Changes to the local road system associated with the Massey-Ferguson development, including the grade separation of the Strachan Avenue railway crossing;
5. The TTC's $12 million proposal to improve passenger safety and comfort at the Bloor/Yonge subway interchange; and
6. Improvements to Union Station.

Transportation problems are not exclusively confined to those of peak-hour office commuters. As the uses and activities of the Central Area become increasingly diverse, the range of traffic, parking and pedestrian problems increases. A comprehensive and integrated approach to planning is necessary in order to effectively address the complexities of the range of issues involved.

Many of the local transportation proposals provide an opportunity to achieve additional benefits which are not solely related to improving traffic conditions. These benefits involve opportunities to provide enhanced pedestrian connections, to reduce perceived barrier effects and to rationalize the local pattern of land uses and transportation facilities. Often the full realization of these additional benefits involves costs over and above those strictly required for transportation purposes. Greater consideration needs to be given to obtaining the additional funding required to fully exploit the opportunities presented in these situations.

6 Other Elements of the Review

The 1986 Review also examined several other major policy initiatives of the Central Area Plan, in the context of the experience of the last ten years, in order: 1) evaluate the extent to which they remain relevant, 2) identify the need for new initiatives, and 3) suggest areas where further study is warranted. What follows is a brief synopsis of the findings of that portion of the Review.

Housing

The goals of promoting new housing in the Central Area, particularly in the mixed-use areas of the Central Core, of preserving existing neighbourhoods, and of upgrading the housing stock have largely been met and experience suggests that market forces will continue to support the achievement of these goals well into the future. By contrast, the goals of providing affordable housing to all residents and in particular to promote affordable housing for targeted income groups are, despite substantial production of assisted housing, a long way from being realized. The pattern has been consistent for both the City and Central Area: private housing targets were met or exceeded while assisted housing achievements fell short of targets in every instance.

Not only has assisted housing production not kept pace with need, but the loss of affordable housing through deconversions and deintensification has put increased pressure on the affordable housing stock. Ironically, the success around one housing policy initiative, neighbourhood preservation and upgrading of the existing housing stock, has had the effect, given market forces and other economic trends, of compounding the difficulties of achieving another important objective of increasing the supply of affordable housing.

The need to realize the affordable housing objectives of the Plan is even more urgent today than it was ten years ago. Policies related to the achievement of these goals must be reassessed to maximize their effectiveness.

Several new initiatives are recommended:

Affordable Housing - a study is now underway involving staff of the Planning and Development, Housing and Legal Departments, which will examine the options available to increase the supply of affordable housing.

Rental Housing - It is difficult to achieve and maintain an appropriate balance between rental and ownership housing through the use of land use policies alone. While not traditionally an area of municipal intervention, the consequences of not considering a more creative and aggressive posture may be a deepening affordable housing crisis. A comprehensive review of the options available to the City to prevent any further erosion of the supply of affordable rental housing is necessary.

The Aging Apartment Stock - As the City's apartment stock ages, problems related to ongoing maintenance and rehabilitation will become increasingly more common. The St. Jamestown study which is currently underway may form the basis for future programs and policy development in the area of apartment conservation.

Use of the Floor Space Index (FSI) Option in Mixed Use Areas - An additional housing policy question which must be addressed in the near future involves the problems which have arisen as a result of the recently approved FSI option for mixed commerical-residential areas. This matter requires further study and planning staff will be undertaking such a review.

Physical Form and Amenity

The Central Area Plan contains policies designed to enhance the physical form and amenity of the Central Area. In the past ten years, significant progress has been made toward achieving these policy objectives, as discussed below.

Conservation of Physical Resources

(a) **Heritage Preservation** - While there is no way to calculate how many of the more than 1,600 heritage buildings in the Central Area would have been demolished without the Central Area Plan's preservation initiatives, the Plan and the principles it embodies have clearly been successful in securing the future of many historic buildings. It is important that City policies for heritage preservation be as comprehensive and as effective as possible, so as to minimize any potential losses. A series of reviews which are currently underway will develop an appropriate framework to meet the needs of the next decade.

(b) **Areas of Special Identity** - The experience of the last ten years has been positive with respect to this particular aspect of urban design. There are many examples of the successful integration of new development with the existing urban fabric. The general response from the private sector has been encouraging. The City continues to experience some frustration where its authority is limited, for example around the issues of demolition control, preservation of existing views and issues of architectural design and quality. Nevertheless, the past ten years have established a strong foundation upon which to address future problems of preservation and integration.

Improving the Pedestrian Environment

The expansion and enhancement of pedestrian amenities has been an important focus of urban design activities over the past ten years which have resulted in a productive marriage of private and public sector initiatives. In many respects, the accomplishments of the past decade have shown this aspect of the Plan to be one of its most successful initiatives.

Environmental Conditions

The private sector has shown increasing recognition and interest in environmental quality as an important aspect in the design of new projects. This awareness can be expected to lead to improved environmental designs for new buildings, particularly with respect to micro-climatic conditions such as wind and shadowing effects. In terms of other aspects of the environment, such as air and soil quality, the environmental agreement process developed for the Railway Lands may also serve as a model for future large scale projects involving the redevelopment of industrial areas.

Parks and Open Space

While the City has undertaken several important initiatives with respect to the provision of parks and open space over the past ten years, the strategy that has been followed has been quite different from that originally set out in the Plan. As a result, certain aspects of the Parks policy require review. The chief areas under question are the continued appropriateness of a quantitative standard to identify park deficient areas and the need to continue to pursue an acquisition program through outright purchase in the Central Area. These and other questions will be considered as part of a comprehensive review of parks and open space policy in the Central Area which is presently underway in consultation with the Parks and Recreation Department.

Street Related Retail Policy

In view of the experience of the past ten years and Council's continuing commitment to a street related form of retail activity, there appears to be no need to conduct a more extensive review of street related retail policies at this time. A study focussing on parking-related problems, to be undertaken jointly by staff of the Planning and Development and Public Works Departments, will be initiated.

The Institutional Areas

(a) **Cultural Institutions** - The general principal of accommodating the needs of regionally significant cultural institutions is one which should be more clearly expressed in the Plan in a manner consistent with overall policies. The general question of whether or not the existing distinction between general and local institutions continues to make sense in light of recent experience should also be addressed. These matters are currently being reviewed by Planning and Development staff.

(b) **Community Services and Facilities** - The experience of the past ten years raises the question of whether the community services and facilities bonus is fulfilling the purpose for which it was intended. If this intent is still valid, a further question of whether there are ways to make the bonus more attractive and useful to the private sector and intended clients also arises. These questions will be addressed in a general review of the Plan's institutional policies.

Industrial Policy

As in other sectors, the forces of change at work in the general economy have a significant bearing on the future of industry in the City of Toronto and will continue to influence the City's industrial strategy.

At the time of the CID amendments in 1978, the amount of land designated for industrial use was substantially reduced with industry consolidated in locations which were most suited to industrial use. It was also recognized at that time that the City's industrial policies would have to reflect changes within industry and that the definition of what constituted an industrial activity needed to be refined.

In the past ten years, traditional industries such as manufacturing have given way to a host of new industrial activities such as film and recording studios, broadcast and communication industries, data processing centres, publishing activities and fashion exhibition space. The City's industrial policy must be updated to respond to and reflect these changes.

The current industrial strategy is based largely on the goal of retaining the existing industrial base in areas viable for industry and encouraging new industries in suitable locations. There is a continuing need to update the definition of industry and to assess the future for still useful but vacated industrial buildings and areas. Two recent studies highlight the kind of methods that are relevant to this task.

The Massey initiative underscored the special problems of dealing with extensive industrial lands which become vacant when a large industrial activity leaves the City. The Massey proposal was tailored to meet the specific needs of the site, while at the same time introducing a new strategy for attracting new industries to the City which included a strong hi-tech component and an incubator function.

The King-Spadina study acknowledged and built upon the strengths of existing garment and film/video sectors, recognizing that by failing to do so, any economic strategy would neglect obvious opportunities and potentially jeopardize existing activities.

Both approaches reflect the need to evaluate the particular circumstances and requirements of an industrial area in order to form a basis for developing an appropriate planning strategy within the context of the policies established in the Central Area Plan. The continued success of the industrial policy will depend upon the appropriate match between local conditions and objectives and larger economic trends.

7 Program for Further Study

While the general goals and objectives of the Central Area Plan remain valid, new initiatives in many of the policies areas may be required in order that these goals can effectively be achieved. The 1986 Quinquennial Review has identified a number of areas where further study is required. In addition, the need to establish appropriate mechanisms for broader reviews of the Plan has been identified.

The following program of study is recommended for endorsement by City Council.

1. A review of Section 7 **Transportation** of the Official Plan (December 1987)
2. The development of a comprehensive Review and Monitoring Program for the entire Official Plan (June 1987)
3. A series of studies related to housing policy:
   (a) Alternative Approaches to Assisted Housing
   Phase 1: Options (March 1987)
   Phase 2: Recommendations (July 1987)
   (b) A review of the FSI/UPH options in mixed use area (June 1987)
   (c) A review of Rental/Condominium Policy (December 1987)
   (d) Approaches to the Conservation of the Apartment Stock: the St. Jamestown Pilot Project (December 1987)
4. A review of the Heritage Preservation Policy (June 1987)
5. A review of the Parks and Open Space Policy (December 1987)
6. Institutional Policy Review (September 1987)
7. Industrial Strategy Review (December 1987)
8. Framework for Study Toward 1991 (December 1987)
9. Various Technical Reviews of the Plan (1987 and 1988)
10. The Site Specific Approvals Process (September 1987)

It is also recommended that an expanded monitoring program be endorsed by City Council. For further details on the study and monitoring program proposals, reference should be made to the Overview Report and the various Background Papers noted below:

1. Changes in the Distribution and Demand for Office Space in the Toronto Region
2. Regional Perspectives on Labour Force Change and the Impacts of Technology
3. Regional Population Trends and Projections
4. A Review of Office Space in the Central Area

4A. Statistical Review - Office Space Development in the City of Toronto 1976-1985

5. Trends in the Utilization of Office Space
6. Trends in Employment
7. Central Area Travel Patterns
8. Review of Transportation Planning, 1975-86

1986 Quinquennial Review

OVERVIEW REPORT

City of Toronto Planning and Development Department
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December 1986

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Background Papers
(published separately)

1	**Changes in the Distribution and Demand for Office Space in the Toronto Region**
2	**Regional Perspectives on Labour Force Change and the Impacts of Technology**
3	**Regional Population Trends and Projections**
4	**A Review of Office Space in the Central Area**
4A	**Statistical Review - Office Space Development in the City of Toronto 1976-1985**
5	**Trends in the Utilization of Office Space**
6	**Trends in Employment**
7	**Central Area Travel Patterns**
8	**Review of Transportation Planning, 1975-1986**

1 Introduction

1.1 The Purpose of this Report

The Central Area Plan, adopted by City Council in January 1976, was the result of a comprehensive re-evaluation of the future direction and form of the Central Area and its relationship with the entire Metropolitan area. The Plan sought to ensure that valuable aspects of the City, its neighbourhoods, historic buildings and shopping streets, would not be destroyed through redevelopment. It also sought to promote mixed-use development within areas of the Central Core, to encourage people to live downtown, and to reverse the trend to areas of segregated land use, in order to achieve a more diversified Central Area.

The concept of deconcentration of employment growth was also an important component of the Central Area Plan. As discussed in subsequent sections of the report, the mechanism for achieving deconcentration, which related development capacity to transportation capacity, was based upon a large number of assumptions, many of which have been shown by experience to not fully apply in practice. The policies related to deconcentration were therefore understood from the beginning to require careful monitoring and review.

Accordingly, the 1976 amendments to the Part I Plan for the Central Area put in place provisions which require, among other things, a review at five year, or quinquennial intervals, of certain aspects of the Plan, and in particular of indicators relating to the office deconcentration policies. A ten year review is required in 1986.

The purpose of this report, and the Background Papers published simultaneously with it, is to set out the conclusions of the second Quinquennial Review and to provide Council with an assessment of the current relationship between the rate of the office employment growth in the Central Core and the capacity of the transportation system to support it.

In addition to fulfilling the requirements of the quinquennial review, this report reviews the major policy initiatives of the Central Area Plan, in the context of the experience of the last ten years, in order to confirm their continued relevance. It also identifies areas where new initiatives may be required, and suggests areas where further study is needed.

1.2 The General Planning Context

The Official Plan contains statements, adopted by City Council and approved by the Province, which set out Council policies, priorities and objectives for the use of land and the redevelopment of the City. It constitutes a framework for development and decision-making.

The Planning Act recognizes that plans are not rigid blueprints. The Act (Section 26) requires that municipal councils give consideration to whether an existing plan should be revised at least once every five years. Implicit in the new review requirements of the Act is an understanding that any plan is the product of a particular set of economic, political and social circumstances. In short, every plan has an historic context. Experience with a plan over a period of time can confirm the success of various goals and objectives; experience can also highlight inadequacies in certain policy areas. Furthermore, changing circumstances may render certain policies obsolete or ineffective. It is important, therefore, that the continued efficacy of any plan be assessed from time to time.

Consistent with the review requirements of the Act, this report provides an assessment of those aspects of the Central Area Plan where revisions may be appropriate.

1.3 The Central Area Plan Context

The quinquennial review requirements of the Central Area Plan were not intended to be a general review of the Plan, but are related primarily to the question of deconcentration and assessing the impact and success of that initiative. (The specific requirements of the Quinquennial Review are set out in Section 1 of Appendix 1). However, this second QQR provides an opportunity to assess both the changes that have occurred in the Central Area over the past ten years and the continued appropriateness of the broad range of policy initiatives that formed the basis of the 1976 Central Area Plan.

Moreover, the Central Area Plan also requires a number of other policy and programme reviews which coincide with the second Quinquennial Review (See Appendix 1). In particular, a general review of the parks and open space policies of the Central Core is required (Sections 5.23, 5.33, 5.30 of the Plan). In addition, a bi-annual review of the effectiveness of the existing heritage bonus policy (Section 1A.42(b)) of the Plan is required, although such a review has never been published previously.

A review of the housing policies of the Plan is also appropriate, principally because the housing targets of the Plan do not project beyond 1985 and new targets must be developed. A review is also desirable to assess the impact on the housing market of recent demographic changes in the City, and to determine whether existing policies adequately address the housing issues of the next decade. Also, the development of recent policy initiatives, such as those flowing from the Housing Policy Review Committee, may require changes to the City's current Official Plan policies on housing.

In view of the foregoing, the purpose of the 1986 Quinquennial Review is fourfold:

1) to fulfill the particular requirements of the Plan for a five year review of the deconcentration policies,
2) to broadly review the policy initiatives of the Central Area Plan,
3) to identify areas of further study, and
4) to set out a timetable for completing those studies.

1.4 The Structure of the Report

Section 2 of this report briefly outlines the major policy initiatives of the Central Area Plan and describes the evolution of the Plan over the last ten years, particularly in terms of the impact of the planning initiatives south of Front Street.

Section 3 reviews some of the major changes and trends over the last ten years in the Central Area and the region that have had or will likely have an impact on the policies of the Central Area Plan.

Section 4 presents an evaluation of the deconcentration policy in terms of its original intent, the assumptions upon which it was based and the changes and trends of the past ten years.

Section 5 reviews the transportation initiatives of the last decade, assesses the need to amend Section 7 **Transportation** of the Plan and evaluates the impact of recent trends effecting transportation planning.

Section 6 contains a review of the other major policy initiatives of the Central Area Plan and identifies areas where further study and reviews are required to ensure that those objectives which continue to have relevance can be achieved.

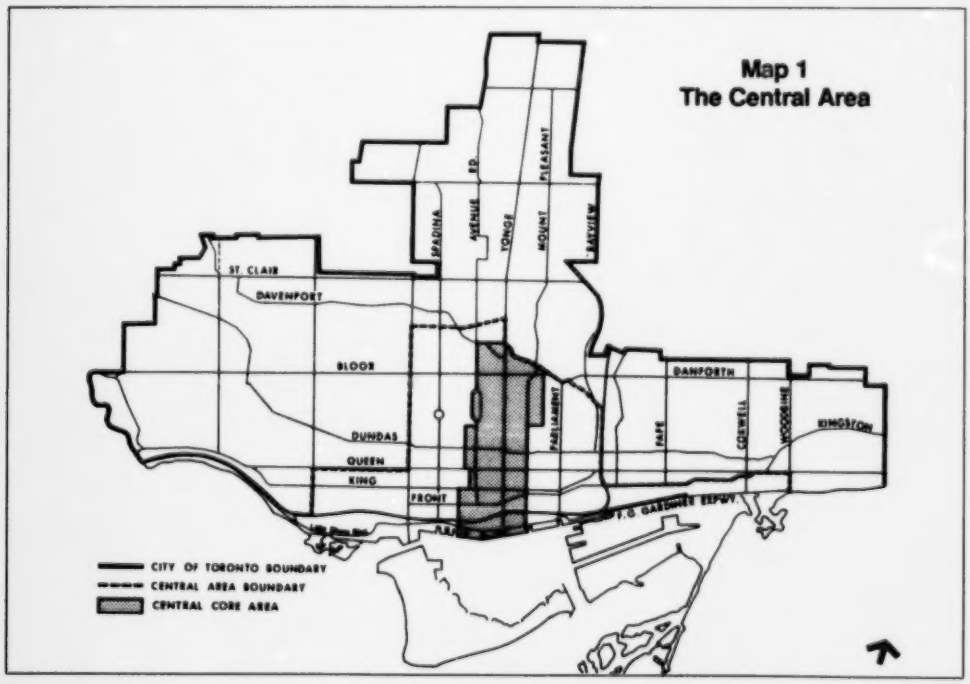
Section 7 is a summary of a proposed program of study that has emerged out of this 1986 Quinquennial Review. This report recommends that the program of study be endorsed by Council. This report does not recommend specific amendments to the Official Plan. The report is intended to raise rather than settle certain key policy issues in order to promote debate and elicit comment on the suggested study program.

2 The Central Area Plan Objectives and Policy Initiatives

2.1 The Central Area Plan In Context

As noted earlier, every plan has an historical context, a particular set of political, social and economic circumstances that give rise to it. This is clearly true for the Central Area Plan. An understanding of the direction that the Central Area Plan took is, to a certain extent, incomplete without an understanding of the context to which it responded.

In the late 1960's and early 1970's there was widespread concern among Torontonians over the extent, pace, and social costs of redevelopment which was occurring in the Central Area (see Map 1), in accordance with the then recently approved 1966 Plan. That Plan, which was based upon values and expectations of the 1950's and 1960's, assumed that wholesale redevelopment of the Central Area was both desirable and inevitable. It envisaged that the existing concentration of regional activities should be encouraged virtually without restriction and that consequently the Central Core would become increasingly specialized. The 1966 Plan gave little or no recognition to the local functions of the Central Area, particularly those of the older residential neighbourhoods. In fact, the redevelopment of low density Central Area neighbourhoods to high rise apartments, high density commercial use, or institutional use was anticipated by the 1966 Plan. The Plan was predicated on the notion that uses should be segregated, and that homogenous high density residential uses would surround an equally homogenous Central Business District.



The 1966 Plan also called for the completion of a Metro Expressway grid that would have run through several city neighbourhoods. Outside the Central Area the Plan also called for high density residential development around subway stations, many of which were located in stable residential neighbourhoods.

This widespread concern over the future development of the City and Central Area found political expression in the 1972 municipal election which brought many new aldermen to City Council with a mandate to review the Official Plan. The Core Area Holding By-law (the 45 foot height by-law) and subsequently the Modified Core Area Holding By-law were passed in order to limit development in the Central Area until a Plan review could be completed.

The Central Area Plan was the product of intense study and extensive public debate and discussion during the 1973-1975 period. During the same period a number of other planning efforts were undertaken which greatly influenced the policy formulation of the Central Area Plan. The original "Living Room" study formed the basis of the City's housing policy for the next decade. The Metropolitan Toronto Transportation Plan Review (MTTPR) examined the relationship between land use and transportation planning, and ultimately led to the conclusion that the most appropriate urban form for Metropolitan Toronto was a multicentred urban structure, which later became the basis of Metro's current Official Plan.

For the City, the result of this comprehensive planning effort was the Central Area Plan. The Plan established a new framework for growth and development which was in sharp contrast to that of the 1966 Plan.

2.2 The Central Area Plan: Balancing Regional and Local Functions

The Central Area Plan was strongly conservationist in nature, seeking to preserve the best aspects of the City, its neighbourhoods, houseform buildings, shopping streets and considerable stock of historic buildings. In pursuing these objectives, the regional function of the Central Area was recognized and refined.

The primary task of the Plan was to seek a balance between the essential regional role of the Central Area and other local needs, such as housing, neighbourhood preservation and the needs of the local resident population. In a very real sense the "limits to growth" of the regional function of the Central Area, particularly in terms of office and institutional growth, were defined by the extent to which the other, more local objectives could be met. This is clearly expressed in Section 1A.3 of the Plan which states:

> "1A.3 It is the policy of Council that the rate of growth in commercial offices and public institutions within the *Central Core* of the *Central Area* shall be such as to achieve the major objectives of this Plan, including the deconcentration of office employment, the retention of low rise neighbourhoods within the *Central Area*, the expansion of the residential function of the *Central Area* emphasizing *housing suitable for families with children* in appropriate areas of the *Central Core* and the *Outer Central Area*, and housing for households without school age children in the form of mixed-use buildings in the *Central Core*, the preservation of buildings of historic or architectural value or interest, the avoidance of unacceptable levels of

> congestion on the transportation system, and a substantial increase in the availability of parks and recreation space for both those who live and those who work in the *Central Core*."

It is clear from these statements that a central concern of the Plan was to ensure that office and institutional growth not occur at the expense of a number of other important objectives. At the same time, the Plan also recognized the distinctive regional function of the Central Area and encouraged the continued growth of that function. The thrust of the Central Area Plan was to focus and regulate that growth, however, in order that a broad range of objectives for the Area could be met.

The Central Area that was envisaged by the 1976 Plan was markedly different from that envisaged by the 1966 Plan. The new future for the Central Area anticipated by the 1976 Plan included the preservation of existing low rise neighbourhoods and housing pockets in the Central Core. The revitalization of existing retail strips was to be encouraged. An expanded residential function was called for by the Plan, not through the redevelopment of neighbourhoods to higher density, but through redevelopment in new mixed-use areas downtown, which had formerly been slated solely for commercial and institutional use. The physical form of the City and its buildings were identified as important issues and the Plan articulated the concern to see historic buildings preserved and streetscapes, views and traditional building to street relationships maintained and reflected in new development.

It is in the context of achieving these objectives, discussed more fully in subsequent Sections, that the goal of limiting commercial and institutional growth should be understood. Large areas of the Central Area were redesignated in order to ensure that the Downtown area was both humane and "alive". Limiting office growth to certain areas of the Core (the Financial District and High Density Mixed Areas) was, at that time, essential to the achievement of these other goals.

The goal of limiting office growth in order to achieve the other goals of the Plan is distinct from the related goal of limiting growth to achieve the policy of deconcentration, which formed another central element of the Plan. The objective of limiting the rate of growth to assist in achieving deconcentration at a Metropolitan level, although a complementary measure, should be seen as an autonomous policy initiative. The development of precise growth limits relates entirely to the issue of deconcentration. In other words, it would have been possible to limit office and institutional growth in the Central Area to achieve the other more local objectives of the Plan without reference to the *rate* of growth. Concern over the rate of growth, however, was central to the issue of deconcentration, as discussed in the following subsection and in Section 4 of the report.

2.3 Office Deconcentration

2.3.1 The Essence of the Deconcentration Policy

Office deconcentration is one of the clearly stated objectives of the Central Area Plan. The policy of deconcentration was a strategic initiative of the Plan designed to assist in engineering a new Metropolitan urban structure. The policy was an expression of a desirable distribution of employment growth among the Central Core, the Central Area and the rest of the region as it relates to a predominantly transit oriented transportation network. At the heart of the deconcentration initiative was a concern about jointly developing a Metropolitan land use and transportation plan that would maximize the overall efficiency of the urban structure.

A consensus was clearly emerging at the time of the formulation of the Plan, that a deconcentrated Metropolitan urban structure was most desirable for the region as a whole and for Metropolitan Toronto in particular.

As described above, the impetus for the emerging consensus originated with the studies of the Metropolitan Toronto Transportation Plan Review. The MTTPR's work concluded that, if a transit oriented transportation urban structure was preferred, then the most appropriate and complementary land use scenario would be a multi-centred or deconcentrated pattern of future employment growth.

At the time of the Central Area Plan, the conclusions of the Metropolitan Toronto Transportation Plan Review had not yet been translated into an official blueprint for Metropolitan development. In the absence of a Metro plan, however, the Central Area Plan sought to foster the deconcentration of employment growth to help achieve the desirable metropolitan urban structure. The means to help achieve deconcentration was to reduce the rate of growth of office employment in the Central Area at least until the deconcentration process had a chance to become established. It was clearly understood, as a result of MTTPR's studies, that limiting growth in the Central Area was only one element of a deconcentration strategy. The other critical elements were strategic transportation investments (predominantly transit) serving the sub-centres in order to improve accessibility and enhance development potential at those locations, and appropriate local land use policies to encourage growth in the subcentres. These types of initiatives were clearly outside the jurisdiction of the City. Since the adoption of the Central Area Plan, of course, a Metropolitan Toronto Official Plan has been adopted which reflects the required elements of a deconcentration strategy as described above.

In the context of the then evolving metropolitan planning framework, later to be embodied in Metro Plan, the Central Area Plan's initiatives regarding deconcentration were critical if deconcentration were to become a reality. At the time, there was some uncertainty regarding the question of how readily the urban structure could be transformed from a highly centralized to a multi-centred structure.

For these reasons, certain aspects of the City's deconcentration policy were seen by the policy makers to be short term in nature, to enable the deconcentration process to become established. This is discussed more fully in Section 4 of this report. In turn, the purpose of the multi-centred pattern was to promote an efficient transit-oriented urban structure. The objective of the deconcentration policies of the Plan was not to regulate the rate of the growth as an end in itself. If and when a deconcentrated pattern of Metropolitan growth emerged, it would be clearly appropriate to reconsider the continued efficacy of this strategy and its mechanisms.

2.3.2 Transportation and Deconcentration

Deconcentration is a policy respecting employment distribution and growth as, they relate, in particular, to the development of the Metro transportation system. The Central Area Plan recognized that the City could not regulate employment growth directly and therefore it must be accomplished indirectly, through the regulation of office space growth and its spatial distribution. It was felt that the office sector was singularly important because it comprised the largest and fastest growing employment sector in the Central Area and generated the heaviest peak-hour demand on the transportation system. Other employment generators, by comparison, were not considered as significant, nor were they expected to have the same high growth potential.

As part of the deconcentration strategy, it was understood that it was important that no commitments be made to new major transportation improvements that would have the effect of significantly improving accessibility to the Central Area. A principal task, therefore, of the Central Area Plan, was to strike the appropriate balance between a desirable rate of office growth and the capacity of the existing transportation system to accommodate such growth. In this regard, Section 1A.7 of the Official Plan states in part:

> "It is the policy of Council to promote the deconcentration of office employment within the metropolitan area by:
>
> ... d) ensuring that future office growth within the *Central Core* will be compatible with the capacity and anticipated utilization of the existing transportation system serving the *Central Core* together with improvements to that system which were under construction or committed for construction on September 30, 1975."

The relationship among transportation capacity, rate of office employment growth and allocation of office densities in the Plan is complex, and will be described in more detail in Section 4 of this report. The Plan sought to ensure that the rate of commercial office development remained below a level that would precipitate the need for major transportation improvements serving the Central Area.

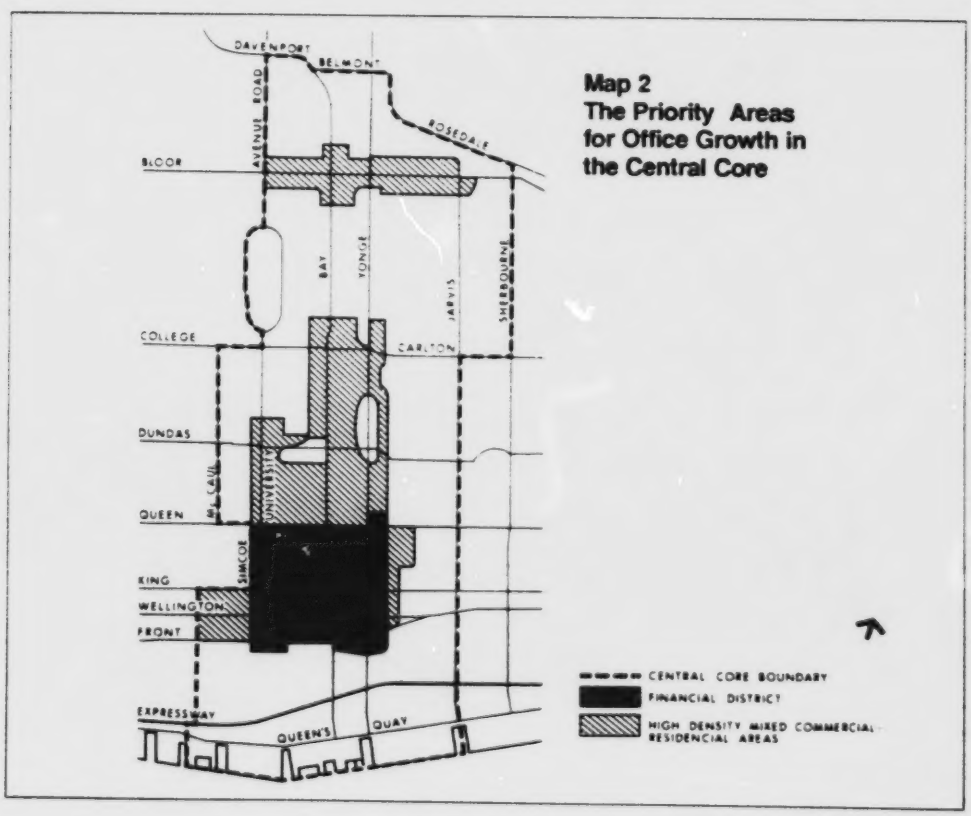
In the context of controlling office development, within certain prescribed limits derived from the capacity of the existing and committed transportation system, the following key transportation policies were adopted as part of the Central Area Plan:

> "7.2 (b) Notwithstanding any other provisions of Section 7, it is the policy of Council to discourage further measures which would facilitate the use of automobiles for commuting into the *Central Core*.
>
> 7.3 (a) Council will encourage the development of rapid transit system to support its policy of promoting the deconcentration of office employment within the metropolitan area and, subject to Section 7.5, will encourage the increased use of rapid transit to serve existing employment concentrations.
>
> (b) Notwithstanding any other provisions of Section 7, it is the policy of Council that decisions respecting the development of additional major transportation facilities, the result of which would be to increase significantly the capacity of the transportation system serving the *Central Core*, should not be made except in the context of, and in conformity with, the provisions of the Official Plan for the Metropolitan Toronto Planning Area prepared and approved pursuant to the Municipality of Metropolitan Toronto Act.
>
> 7.5 Notwithstanding any other provisions of Section 7, it is the policy of Council that emphasis should be placed on the movement of people by means of public transportation. In the short term, however, Council shall support the increased use of public transportation during the peak hours only to the extent that such use does not necessitate the construction of additional major transit facilities, the result of which would be to significantly increase the transportation capacity of the transportation system serving the *Central Core*."

The Plan contains office space growth "triggers" for the Central Core which, if exceeded, would signal the need for a review of the office policies. It was assumed that if the rate of office growth did not exceed the triggers the option for deconcentration would remain open and the existing transportation system would not be over burdened. The triggers are now established in the Plan at 5.8 million square metres in 1981, 6.4 million square metres in 1986 and 7.0 million square metres in 1991. The appropriateness of the triggers are themselves the subject of quinquennial reviews.

The authors of the Plan, however, recognized that considerable uncertainty attached to the deconcentration strategy, and the assumptions upon which it was based. A monitoring and review process was therefore established. As discussed later in Section 4, many of these assumptions have, over time, proven difficult to substantiate.

While the transportation policies of the Central Area Plan were intimately linked with the mechanism of the deconcentration strategy, those policies designed to discourage automobile commuting and the construction of expressways into the Central Area and to encourage the use of public transit, were also seen as important goals, independent of achieving deconcentration. As Sections 7.2(b) and 7.5 of the Plan state, the concern is that automobile use be discouraged and transit use be encouraged. Section 7.5 then goes on further to state that, in the *short term*, Council would not support increased transit use if it meant the construction of additional major transit serving the Core. It is in this latter respect that the transportation goals become explicitly linked with the deconcentration strategy.



Map 2
The Priority Areas for Office Growth in the Central Core

2.3.3 The Priority Areas

The thrust of the office policies of the Plan was twofold: to limit the areas where future office growth could occur to enable other local objectives for the Central Area to be achieved; and to reduce the rate of office growth in the Central Core in order to promote the policy of deconcentration. To assist in both these objectives, the Plan established priority areas for office development. The Financial District was the first priority, and the High Density Mixed Commercial-Residential Areas (HDMCR) of the Central Core were identified as second priority office locations (see Map 2). To ensure that the Financial District remained the priority area for office growth, the Plan also set out special early triggers for the first (1981) and second (1986) quinquennial reviews if growth in the High Density Mixed Commercial-Residential Areas was excessive. These early triggers have not been breached, and these requirements of the Plan no longer apply and should be repealed.

2.4 Other Initiatives of the Central Area Plan

2.4.1 Housing

Prior to 1976, although the City's Official Plan contained policy statements regarding Residence Areas, the Plan did not reflect a consistent or comprehensive housing policy. Flowing from the work conducted for the original Living Room report, the housing policy initiatives of the Central Area Plan were wide ranging, applying throughout the City, but focussed essentially on three major elements: a) the preservation of existing low rise neighbourhoods and housing pockets; b) the promotion of substantial new housing investment in mixed use areas of the Central Core; and c) the provision of affordable housing to serve a wide range of economic groups.

a) The existing inner neighbourhoods, which in the 1966 Plan had been slated for wholesale redevelopment, were recognized as important urban resources in the Central Area Plan and were to be protected as the major areas for family housing. Redevelopment on a large scale was not expected or considered desirable. Instead it was anticipated that modest, infill housing schemes could be accommodated in these neighbourhoods.

b) In those areas where the Central Area Plan substantially reduced commercial development potential, the Plan called for major housing investment. Substantial residential densities, in some cases well in excess of densities previously permitted, were established to encourage new housing in mixed use buildings. Within the High Density Mixed Commercial Residential Areas, this incentive becomes a requirement that a residential component be included in development where the commercial component exceeds 47,000 square metres. As will be discussed further, the mixed use strategy has proved to be extremely successful.

c) The Plan also sought to foster significant investment in affordable or 'assisted housing' by providing density incentives in the mixed use areas. Bonuses were also established for senior citizen housing and special housing. Housing for a broad spectrum of the City's population was to be encouraged in the Central Area.

The Central Area Plan also introduced the concept of housing production targets and sought to achieve 40,000 new units in the City of which 30,000 were to be located in the Central Area, during the ten year 'life' of the Plan. An assisted housing target of 50% of the total, or 20,000 units in the City was also established, as was a family housing target. These targets, which are actually approval targets as opposed to construction targets, were established only for the first 10 years of the Plan, and no longer apply after 1985.

2.4.2 Open Space and Parks

The Central Area Plan objectives of increasing the residential function of the Central Area and Central Core, as well as the general goal of improving the quality of life for workers and residents of the area, logically led to the recognition of a need to provide additional parks, amenities and open space in the Central Area.

A new section of the Plan was introduced entitled **Parkland and Recreation Space in the Central Core,** the objective of which was to achieve, within ten years, a basic parks system throughout the Central Core to serve the residential and working populations. The Plan sets out a standard for parks space which formed the basis of the short term goal of the 'basic parks system'.

Provision was also made in the Plan for an annual review of the progress being made towards the achievement of the Plan's objectives within the Central Core with a view to setting annual targets for Parks acquisition in that area. Although an initial assessment of park-deficient areas in the Core was made, annual reviews of progress and the setting of annual targets for acquisition have not systematically taken place over the last ten years.

The Plan also states that it is Council's policy to review the performance and utilization of the basic parks system that was to be established over the short term, in order to provide the basis upon which a more long-term parks system for the entire Central Area could be defined. A program for achieving the long-term parks system was subsequently to be developed and adopted by Council.

Finally, the Plan sought increased park and recreation space in Mixed Use Areas through a requirement for personal and shared recreation space in new residential and mixed use buildings.

2.4.3 Physical Form and Amenity

Concerns about various aspects of the quality of the physical environment and in particular of the impact of new development on the comfort and pleasure of residents, workers and visitors to the Central Area, resulted in the adoption of certain policies and principles which relate to built form and amenity. The following principles were embodied in the Plan:

a) the adverse effects of new development on the microclimate, especially in terms of wind and sun, should be minimized;

b) positive aspects of the built environment such as specific historic buildings, public views and traditional streetscapes, and areas of special identity, would be retained and enhanced;

c) streets and lanes are recognized as important assets and should not be conveyed from City ownership unless equal or better public spaces are created;

d) supplementary open areas and facilities accessible to the public should be included in private development; and

e) pedestrian amenity and interest should be taken into consideration in new development with a view to creating a full and diverse network of active streets and walkways.

The Plan provides for a number of means to achieve these objectives. A bonus to preserve historic buildings in new developments (Section 1A.42 of the Plan) allows for the exclusion of floor area contained in designated buildings (up to a certain maximum which varies according to the area in which the lot is located) from the calculation of maximum permissible density. To assist in achieving the traditional building-to-street relationships and pedestrian environment that were considered desirable, the Plan also contains a requirement for street related retail, if maximum commercial densities are to be achieved, in the high density mixed use districts. To encourage internal walkways through large developments, the Plan allows for a density exemption, while a requirement for common outdoor space in the Central Core, seeks to ensure that new development contributes to an enhanced pedestrian environment.

The Plan calls for the identification of Areas of Special Identity through Part II or area studies and encourages the use of regulatory powers, such as Section 40, to ensure the appropriate design of new development.

Finally, the Plan generally prohibits the sale or lease of City owned streets and lanes in the Central Area except where a new walkway or lane of equivalent size is secured in a new development.

Taken together, all of these initiatives of the Plan were intended to ensure that future development in the City: 1) conserved and made better use of the existing Central Area resources, 2) made proper and generous accommodation for the walking public and 3) minimized undesirable environmental conditions.

2.4.4 Street-Related Retail

In formulating the policies and objectives related to retail and service uses, the policy makers of the day were responding to concerns about the effects of development on traditional retail strips. In part, the concern was related to building form. But another major consideration was the perception that much of the recent large scale office development in the Core had succeeded in removing almost all pedestrian interest at the street level by placing retail space mainly below grade. The "tower in the plaza", as a general trend in new development was alarming for its potential impact on the surrounding streets.

There was also concern over the propensity of larger, regional retail complexes to turn inward to internal malls and the extent to which the larger complexes contributed to the decline of many of the City's traditional shopping streets. As a result the Plan redesignated many of the existing shopping strips to limit their redevelopment potential and to encourage their revitalization.

To promote the provision of street related retail uses in major office development, the Plan provided for a penalty, in terms of total permitted density, in those instances where, in High Density Mixed Commercial-Residential Areas and the Financial District, less than 60 percent of the street frontages were not devoted to street related retail. The Plan also eliminated the incentive to provide below

grade retail which had existed previously. Until the 1976 Plan and By-law, below grade commercial space was excluded from the calculation of density. The Central Area Plan revised the definition of gross floor area to include such space.

Taken together, these amendments were intended to promote the preservation of retail strips and the provision of retail space at grade in mixed use projects throughout the Central Area.

2.4.5 Institutional Policies

The extent to which existing major institutional uses should be encouraged to expand and specialize, and whether new institutions should be allowed or encouraged to locate in the Central Area were major issues in the development of the Central Area Plan. Initially, it had been proposed that, consistent with a policy to encourage employment deconcentration, existing major or general institutions should be limited to their present sites and densities, with a provision for only minor expansion. New institutions would not be permitted to locate in the Central Area unless it were clearly established that a Central Area location was essential.

At the Ontario Municipal Board hearing on the Plan, many concerns were raised by the Board and institutions about the City's jurisdiction in determining the locational needs of institutions, particularly hospitals. The institutional policies were referred back to City Council and revised policies were adopted in May 1979.

In the revised policies, which now form part of the Central Area Plan, City Council was to be much less involved in the locational decisions of major institutions than originally proposed. In the revised policy, the focus had shifted from restricting growth to moderating the effects of growth, and in particular protecting existing neighbourhoods from the effects of institutional expansion, ensuring compatibility of built form and encouragement of the retention of historical buildings. In essence, the institutional policy seeks to establish a balance between the needs of regional institutions and those of the local residential population.

One of the implicit assumptions made in striking that balance was that local institutions were desirable to serve the residential population, but that regional institutions were not. The Plan reflects this dichotomy by establishing two sets of rules for these different types of institutions.

The Plan designates an Institutional District within which expansion of existing institutions and the location of new institutions can proceed relatively unencumbered. Major or regional institutions, with the exception of the expansion of existing hospitals, are prohibited from locating or expanding in Residence Areas. The expansion of existing hospitals in Residence Areas is contemplated in the Plan, subject to a number of conditions and criteria. Outside the Institutional District, there is a discrepancy between policies for expansion of existing institutions and densities granted new institutions. Existing institutions can expand up to the mixing formula constant in mixed use districts outside the Financial District. New institutions are limited to the non-residential density.

The other major element of the institutional policy relates to the provision of adequate levels of community services and facilities, essentially local institutions. The provision of such services was considered desirable in view of the expansion of the residential function of the Central Area that was called for by the Plan. A community services and facilities bonus, which applies in all mixed commercial-residential areas, was therefore introduced. The bonus allows additional floor space,

equivalent to that used by a community service or facility, beyond what is normally permitted in mixed commercial-residential areas. The Plan establishes a similar bonus in Residence Areas in the Central Area.

While these new institutional policies were added to the Plan, other policies which had predated them remained as well. These included policies regarding the arts and entertainment sector and the CBC. These policies were not reviewed or revised at the time in the context of the new Plan and the new institutional policies.

2.4.6 Industrial Policy

The Central Area industrial policies followed the adoption of the Central Area Plan by two years. The Section 4 **Industry** and Central Industrial District (CID) amendments were approved by Council in 1978.

The new policies related to industry were the result of extensive study of the City's industrial lands, with a particular focus on the Central Industrial District. The result was a strategy which recognized the importance of a continuing industrial function within the City and Central Area. At the same time the policy acknowledged that although it was important to continue to reserve industrial land in the City, these lands should be identified on the basis of their continued viability for industrial purposes. One major result of the implementation of the industrial policies within the Central Industrial District has been to substantially reduce the amount of land designated for industry. Where industrial lands were determined to be viable for continued industrial use, the policy sought to preserve the existing industrial base and encourage new industrial employment in those industries for which a City location was important.

The industrial policy also had a strong social component. Preserving industrial jobs was seen as an essential part of an effort to ensure that a variety of employment opportunities was maintained within the City and Central Area. It was considered desirable that industrial jobs be located near neighbourhoods which housed industrial workers.

The CID amendments complemented the office employment deconcentration initiatives of the Plan by removing commercial permission from virtually all of the CID, with some exceptions near the Core. The 'settlement' areas of the King-Spadina area to the west of the Financial District (areas where objections had been made to the original King-Spadina Plan) and the General Use areas of King-Parliament, just east of east downtown, allow for a substantial commercial component, some of which is tied to the provision of an equal amount of industrial space. The industrial policy also allowed, by means of a rezoning, a 25% office component in new or renovated industrial buildings to assist in the provision of new industrial space.

2.5 The Evolution of the Plan in the Last Ten Years

2.5.1 The Extension of the Plan Principles

Although the Central Area Plan was a comprehensive planning exercise, it was incomplete in its geographic application. Many portions of the Central Area, largely south of Front Street, were not specifically addressed by the 1976 Plan. Such areas include the Central Bayfront, Harbourfront and the Port Area. The Railway lands, on the other hand, while recognized as being of "strategic

significance", were dealt with only in a very general way by the Plan. The Plan established the maximum commercial density east of John Street, and set out a number of considerations for future study in a Part II Plan for the Railway Lands, namely:

i) that development of the lands be consistent with the major objectives of the Plan,
ii) the Downtown area should be united with the Waterfront;
iii) adequate environmental conditions should be established;
iv) Union Station should be retained for transportation function;
v) development of the Railway Lands should contribute to the housing goals of the Plan;
vi) the lands west of John Street should be, *inter alia*, a mix of uses similar in concept to St. Lawrence.

Studies that were undertaken concurrently with the Central Area Plan review, for the Central Industrial District and St. Lawrence, resulted in the adoption of plans for those areas shortly after the Central Area Plan was approved.

Since its adoption in 1976, the task of geographically completing the Plan, through the application of its policies, principles and objectives, has been on-going throughout the entire Central Area. Plans for the following areas have subsequently been approved by Council.

1.	St. Lawrence Part II	1976
2.	The Central Industrial District (CID) and Part I (Section 4 Industry) Amendments; as well as Part II's for: King-Spadina, King-Parliament and Niagara	1978
3.	Harbourfront Part II	1980
4.	Central Waterfront (Part I Amendments to Section 5: Parks, The Ravines, The Waterfront and the Railway Lands) (Proposed)	1985
5.	Central Bayfront (Part II for The World Trade Centre) (Proposed); (Further Site Specific Part II's for Marine Terminal 27 and the Provincial Lands in future)	1986
6.	The Railway Lands Part II	1985
7.	Massey Ferguson (Amends portion of the CID)	1986

With the final approval of the plans listed above, plus the completion of studies for the development of Marine Terminal 27, the East Bayfront lands and the Port district, the principles of the Central Area Plan will have been extended to geographically complete the planning of the area south of Front Street. These planning initiatives for the area south of Front Street may prove, in many respects, to be as significant in their impact on the future of the City as the policies of the Central Area Plan itself have been, since they combine to create a guide for the redevelopment of an enormous area of Waterfront land that had essentially become obsolete.

Historically, most of the area south of Front Street developed in relation to the railways and port activities which dominated the area. The area had been designated in previous City plans as industrial, reflecting this historic role and function. But the continued role of the area for predominantly industrial and transportation uses was called into question with the general decline of traditional industry and in particular as transportation shifted away from rail and ship, and as port activities shifted to the east. Although the Central Area Plan largely ignored these problems in the Central Waterfront area, fundamental changes in the economy and the general abandonment of substantial tracts of land previously devoted to industrial and transportation uses has lead to the subsequent development of the sub-area plans referred to above.

The St. Lawrence and Harbourfront plans, followed more recently by the Central Waterfront Plan, the World Trade Centre Part II Plan and the Railway Lands Part II Plan, have resulted in the application to those areas of the major planning goals of the Central Area Plan. These include the encouragement of mixed-use developments, substantial new housing (including assisted housing), heritage preservation, major new public open spaces and an enriched urban fabric. In addition, these recent planning efforts seek to re-connect the rest of the Central Area to the Waterfront, thus reuniting the City and its water's edge.

The impacts of the Plan changes south of Front Street are substantial. Together, the Railway Lands, Harbourfront and the World Trade Centre Plans will provide for an estimated 12,500 new housing units, of which about 4,200 will be assisted units. A total of 20 hectares (51 acres) of public parks will be created. New streets, publicly accessible open space and additional access to the City's Waterfront will also result from the implementation of these plans.

In many respects, the Central Area Plan marked the beginning of a planning process. The expanded geographical application of many of the Plan's principles over the last ten years has initiated a development process that will have a profound effect on the future of the City and the Central Area.

2.5.2 The Evolution of Permitted Office Densities in the Plan

The Plan has not only evolved by means of the application of its principles to large areas not considered at the time of its adoption; it has also evolved in terms of the office policies. This section, and subsequent sections of the report will review the evolution of the office policies as they impact upon the deconcentration objective of the Plan.

In approving the 1976 Plan, the Ontario Municipal Board made a number of modifications to both the Plan and accompanying Zoning By-law. The most significant changes were to:

1) allocate 538,820 square metres (5.8 million square feet) of office space to the Railway Lands east of John Street (this density had been held "in reserve" but was not actually allocated in the proposed Plan);

2) make 529,530 square metres (5.7 million square feet) of office space, which had been proposed to be held in reserve for rezonings in the High Density Mixed Commercial-Residential Areas, available as of right; and

3) awarded 232,250 square metres (2.5 million square feet) of additional office space through site specific (Section 11) amendments, many of which were settlements agreed to by City Council.

The overall affect of the O.M.B. decision was to increase the total development potential by 232,250 square metres (2.5 million square feet) beyond the estimated capacity of the transportation system of the Central Core. The 538,820 and 529,530 square metres (5.8 and 5.7 million square feet) of office space were not additional to what had been contemplated by the upper development limit of the Plan, but it had been anticipated that this floor area would be held in reserve and allocated on a discretionary basis by City Council through rezonings in the case of the High Density Mixed Commercial-Residential Areas, and a Part II Plan in the case of the Railway Lands.

The Cabinet did not further amend the densities permitted by the Central Area Plan and By-law, but it did increase the review limits, in essence to allow for a faster rate of growth than the Plan had originally anticipated. This, in theory, might have the effect of moving up the timeframe for future transportation improvements because the limits of the transportation system could be reached earlier. In particular, the Cabinet increased the review limits from:

1981: 5.6 million square metres to 5.8 million square metres
1986: 5.9 million square metres to 6.4 million square metres
1991: 6.3 million square metres to 7.0 million square metres

2.5.3 Changes Since Cabinet Approval

The Central Industrial District

The industrial policy was discussed earlier. In terms of this discussion regarding the evolution of the Plan, it is noteworthy that the Central Industrial District (CID) amendments were generally complementary to the deconcentration policies of the Central Area Plan. In certain areas of the CID, however, immediately adjacent to the Core, office commercial permission was granted. The 'settlement' areas of King-Spadina and the IC districts of King-Parliament in particular accounted for a substantial potential office component. It is estimated that a total of 505,800 square metres (5,444,564 square feet) of office space could realistically be built in these areas of the CID.

In addition, the Section 4 amendments for industry allowed for a 25% commercial component in new industrial buildings or buildings renovated for predominantly industrial use. This provision, theoretically, could permit an additional 1,420,436 square metres (15,289,956 square feet) of office space to be constructed outside the Core, if every single eligible parcel of land were redeveloped taking advantage of the policy. The likelihood that more than a small proportion of this potential will ever actually be realized, however, is extremely remote.

Harbourfront

The Harbourfront Plan allows for approximately 110,000 square metres (1,184,069 square feet) of office space. In approving the Harbourfront Plan, however, the O.M.B. decided that only a portion of this commercial space could be built as-of-right. Approximately 55,740 square metres (600,000 square feet) cannot be released for development until Metropolitan Council is satisfied that the necessary transportation improvements to accommodate the additional development rights are in place.

Site Specific Official Plan Amendments (1980-1986)

Subsequent to O.M.B and Cabinet approval of the Central Area Plan, Council adopted further site specific amendments to the Plan, many of which had the effect of increasing the permitted office commercial densities of the Plan. These amendments included sites such as Eaton Centre Phase II and Scotia Plaza as well as a large number of smaller developments. These amendments accounted for approximately 425,475 square metres (4,579,925 square feet) of additional office potential.

Railway Lands (1985)

The recently approved Part II Plan for the Railway Lands added an additional 838,875 square metres (9.02 million square feet) of commercial floor area to the Plan. Of this, roughly 604,096 square metres (6.5 million square feet) is for office commercial purposes. Just less than half of this floor area (277,974 square metres) is to be located in the Spadina Sub-centre.

Central Waterfront/Central Bayfront (1986)

Council has recently approved the World Trade Centre Part II which provides for approximately 148,640 square metres (1,600,000 square feet) of additional office commercial space in the Central Bayfront Area of the Central Waterfront. Other lands in the Central Bayfront, MT 27 and Provincially owned lands, will be the subject of separate site specific Part II studies which will address, among other things, the question of an appropriate level of commercial space for those areas.

Massey Ferguson (1986)

Also recently approved, the Massey Ferguson Plan is an amendment which does not theoretically add any office potential in this part of the CID. The permitted office densities in the Massey Ferguson Plan are in total no greater than the 25% existing office commercial permission that generally applies throughout the CID. However, unlike the general provisions of the plan, the erection of this office space is no longer to be tied "lockstep" to the provision of industrial space. Instead, the site is divided into two phases; the office space in Phase 2 cannot be built until the industrial space in Phase 1 has been built. This modification to the industrial strategy for the Massey lands essentially means that 131,893 square metres (1,419,730 square feet) of office space which previously had fairly remote development potential, are now more likely to be realized.

The Impact of the Changes to the Plan

An assessment of the possible impacts of the evolution/extension of the permitted levels of office development on the transportation and deconcentration policies of the Plan is contained in Sections 4 and 5 of this report. This assessment is presented in the context of a fuller discussion of the original transportation analysis conducted at the time of the Central Area Plan and in relation to the 'hard-soft' analysis that was used to allocate permitted commercial development densities in the Central Core.

3 The Experience of the Last Ten Years

3.1 Introduction

In the ten year period since the introduction of the Central Area Plan, the Central Area and the Toronto Region have undergone a transformation in economic, social and physical terms. Several of the events of the last decade were anticipated, and in the Central Area some were called for by the Plan. Some changes, however were not anticipated. But whether intended, predicted or not, all have had, and will continue to have, a significant bearing on the achievement of goals and objectives articulated in the Central Area Plan.

The extensive and rapid changes of the past decade have resulted in a growing need to monitor and evaluate a wider range of indicators in order to more fully understand and anticipate current and future patterns of urban growth and change. They have also brought into clearer focus the need to recast some of the strategies for implementing the policy initiatives of the Central Area Plan so as to better respond to changing needs.

This section of the report provides a brief overview of key changes in the Central Area, the City and the Region which can have an impact on planning for the next decade or beyond. An assessment of the implications of these trends for the planning initiatives of the Central Area Plan will be discussed in subsequent sections, which will also identify areas for further study and review.

3.2 Changes to the Form and Quality of the City

The Central Area Plan itself has been instrumental in transforming the physical and social quality of the Central Area. In many respects the Plan's mixed use objectives have been remarkably successful. The Central Core enjoys a diversity of land uses, and a growing residential population. The response to the Plan's initiatives around mixed use and the importance of a residential population downtown has confirmed the wisdom of these objectives.

Significant progress toward achieving other objectives of the Plan linked to the overall goal of improving the quality of the urban environment, such as historic preservation, improved pedestrian amenities and increased parks and open space, has also been made.

During the life of the Plan, there has also been a healthy resurgence of retail strips, not only in the Central Area, but across the City as well. Previously declining retail areas have 'turned around', new shopping streets have emerged, and viable strips have consolidated and upgraded. Because most retail strips are located along major arterials, the rejuvenation which has occurred has had a dramatic impact on the image and vitality of the City. Together with the growing residential population downtown, the resurgence of the retail strips has made a qualitative change in the lives of people living, working and visiting in the City.

As discussed previously, the area south of Front Street has begun a transformation from an area that formerly was the bulwark of the "old industrial city", to an area potentially as diverse and vital as the Central Area north of Front. After ten years, the St. Lawrence neighbourhood is nearing completion, with the result that a successful new community has been established. Residents of Harbour Square, who for many years were the waterfront's only residents, are now being joined by a growing residential population in Harbourfront and soon in Waterpark Place and the World Trade

Centre. In the past few years, Harbourfront has emerged as a major focus for cultural and recreational activities and the water's edge has been reclaimed for public recreational use. Public access to a whole new area of the Central Area has been established.

As a result of the major initiatives of the Plan, and the application and extension of its principles, a transformation in the form and quality of the Central Area has occurred. Moreover, it is a change which can be considered a major success of the Plan.

All of these changes have contributed to making Toronto and its Central Area a very habitable and desirable place to live. However, one effect of this success has been to exacerbate the difficulties of achieving another objective of the Plan, the provision of affordable housing. This potential effect was not entirely unanticipated. In a paper entitled "Land Policy in the Central City: A Toronto Perspective", published in 1974, Professor David Nowlan wrote:

> "The "habitable city" we all seek will obviously appeal to more people because of its attractiveness, and thus create the growth that isn't wanted; or, if habitability doesn't attract *more* people, it will attract *richer* people who, by their willingness and ability to pay higher property prices will force poorer citizens to move out".

The impact of these changes and other social and economic changes on the provision of affordable housing is discussed further in Section 6.1.

3.3 Changes in the Economy of the City and the Region

General trends in the economy, discussed in detail below, are dramatically influencing the nature of work in our society, and affecting the location of places of work in urban areas. These changes are being felt not only within the office sector, but also within the traditional "industrial" sectors. Historically, changes in the way in which a society is organized around work and production have given rise to urban and social change. How potent are the forces of economic and technological change now occuring in society? What are the direction and nature of urban changes engendered by these forces? Much discussion and research is ongoing throughout North America seeking answers to these and other related questions.

The impact of some of these trends is already being felt and can be detected in changes over the last ten years in the Toronto Region. (For a fuller discussion of these trends see Background Papers Nos. 2 and 3.) The ultimate impact of these trends is impossible to determine at this time, but as the following discussion suggests, the changes which have occurred in the past ten years highlight the need for close monitoring of many aspects of the urban economy.

3.3.1 Occupational and Industrial Restructuring

The manner in which the regional labour force is being employed has undergone a radical transformation. This is true not only of the occupations in which people are being employed, but also of the relative importance of different industries as sources of new employment opportunities.

Data derived from the 1971 and 1981 Census illustrate the extent to which the occupational/industrial mix has changed. (See Background Paper No. 2: **Regional Perspectives on the Labour Force and the Impacts of Technology.**) While growth occurred in all

occupational sectors, fully 68% of the increase between 1971 and 1981 was concentrated in clerical, managerial, scientific and technical and service occupations. One out of every two new jobs created in the Toronto Region between 1971 and 1981 was either clerical or managerial in nature.

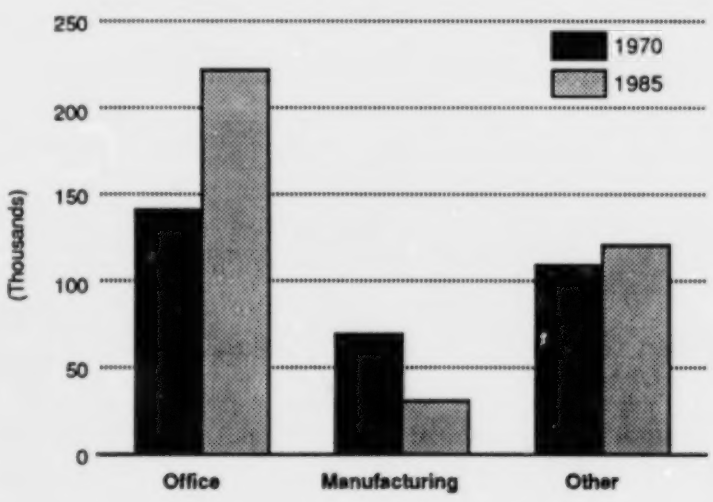
The industrial structure of the Toronto Region's labour force has also undergone some major changes. Traditional industries such as manufacturing and construction have declined in relative importance, while the share of employment in trade and FIRE (Finance, insurance and real estate) industries has grown. Outstripping all sectors, however, was growth in the community, business and personal services sector. Fully 38% of all employment growth between 1971 and 1981 occurred in this sector, which is now the largest employer in the Toronto Region.

3.3.2 The Information Economy

The restructuring of occupations and industries which has occurred since 1971 illustrates the extent to which the Toronto Region has become an information based service economy. It is estimated that in 1981, fully 55% of the region's labour force was engaged in activities whose primary functions were related to the production, processing and distribution of information.

Surveys undertaken by the Metropolitan Toronto Planning Department since 1970 clearly illustrate the extent to which the above noted processes have influenced general categories of employment found in Toronto's Central Area. Figure 1 shows that between 1970 and 1985 the total number of employees increased by 53,000, from 318,000 to 371,000. Over this same period, the estimated number of office employees grew by 57%, while employment in other land uses either decreased or exhibited limited growth. These trends are not confined to the Central Area alone.

Figure 1
Change in Full-Time Employment Central Area
1970-1985



Source: Metro Toronto Employment Survey

Census journey to work data indicate an increasing specialization of management and professional functions in the Central Area. Between 1971 and 1981, work trips into the Central Area by managers and non-scientific professionals increased the fastest of all occupations surveyed in both absolute (30,000) and relative (102%) terms. If this trend continues, future net employment growth in the Central Area may have a more limited impact on the transportation system serving the downtown than comparable increases in the past due to possible differences in the travel patterns of management and professional workers. While the trend suggests the gradual evolution of an "executive city" in terms of employment opportunities, it should be understood that the Plan had assumed a gradual evolution to "higher order" office employment in the Core. The trend to an information economy and its effects on Central Core office employment are not inconsistent with changes anticipated by the Plan although it may be contributing to an acceleration of those changes.

3.3.3 Technological Impacts

Paralleling the process of occupational and industrial restructuring, and to some extent propelling it, is the process of innovation in information technology. Primarily, this involves the use of computers and telecommunications to form computer networks; the new infrastructure of the information economy. The effects of technological change have only recently been studied and are still not fully understood. However, it is reasonable to assume that they will have a major impact on the functioning of urban areas, particularly in locations such as Toronto, which are highly information-oriented.

It can be expected that the dominance of the Toronto Region and, in particular the City of Toronto, will grow as many businesses exploit economies of scale by consolidating management, professional and data processing activities at corporate head offices located in Toronto.

At the same time, advances in telecommunications have allowed a number of Central Area businesses to relocate many of their "back-office" activities to less expensive suburban space, located in closer proximity to the rapidly expanding suburban labour market. This, too, has contributed to the evolution of the "executive city" phenomenon.

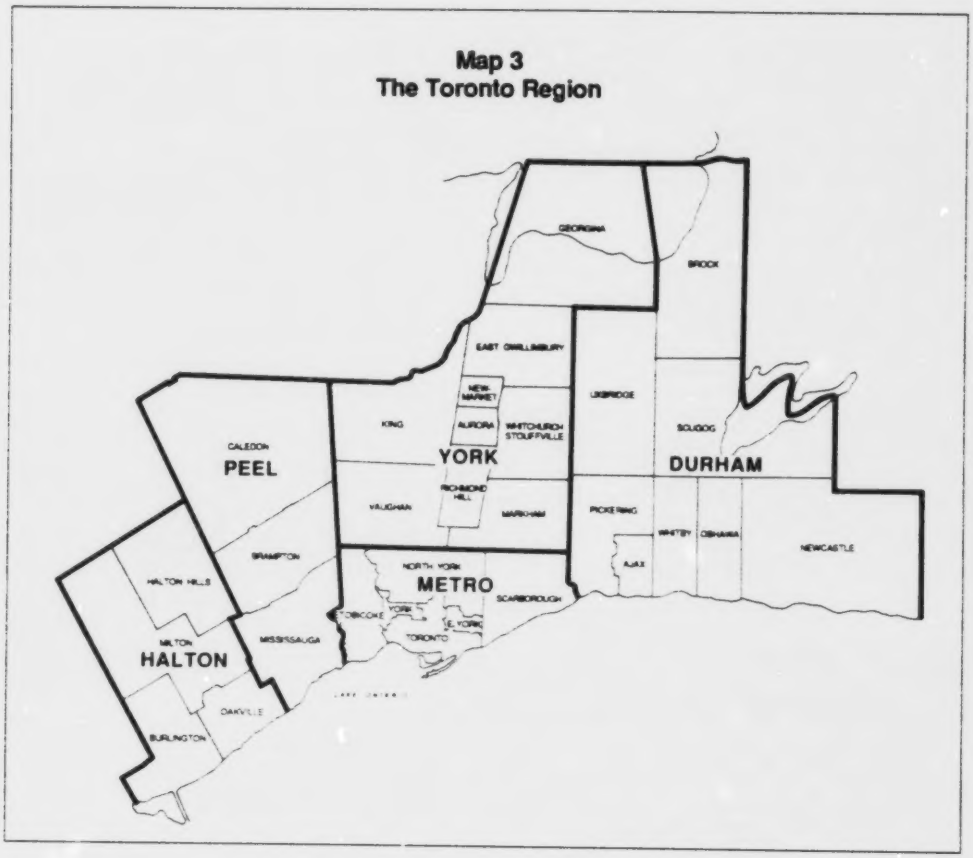
3.4 Population and Labour Force Growth and Change

The Central Area is the hub of the Region's economy and will continue to be the dominant centre of employment, and hence a transportation focal point, for many of the Region's residents. Interpreting regional population and household growth patterns and their relationship to employment growth patterns, is therefore essential, if one wishes to fully understand and anticipate future travel behaviour in a comprehensive fashion. An assessment of these data is also essential to an understanding of the social implications of future change.

3.4.1 Population Growth in the Toronto Region

For the purposes of this discussion, the Toronto Region consists of Metropolitan Toronto and the surrounding Regional Municipalities of Durham, York, Peel and Halton. (Map 3) The surrounding Regions are referred to as the fringe.

Map 3
The Toronto Region



The population of the Toronto Region presently stands at 3.6 million persons and has grown at an average rate of just over 50,000 persons per year since 1981.

Between 1981 and 1986, 86% of the population growth in the Toronto Region has occurred in the regional municipalities surrounding Metropolitan Toronto. Metro's population has grown by only 35,000, with most of this growth confined to the City of Scarborough. Over this same period, the population of the fringe increased by 223,000.

Current population projections suggest that the total population of the Toronto Region will reach 4.7 million by the year 2011. Nearly all (97%) of this additional growth in population is projected to occur outside Metropolitan Toronto. The only areas where population growth is projected within Metro over the time horizon are in parts of Scarborough and the Central Area.

Future changes in the distribution of population by age will not occur evenly across the region. For example, the number of children located within Metro can be expected to drop significantly, but grow substantially in the fringe. Similarily, the working age population within Metropolitan Toronto will decrease slightly in size, but grow dramatically in the fringe. Seniors will account for 21% of Metro's population by 2011, but a significant increase in seniors can also be expected in the fringe.

Table 1
Population Growth (1981-1985)

Location	1981 Population	% of Region	Change 1981-85	% Change	1985 Population	% of Region
Inner Three	**825,533**	**24.6**	**4,280**	**0.5**	**829,813**	**23.0**
Toronto, City	594,081	17.7	4,321	0.7	598,402	16.6
York	132,336	3.9	1,400	1.1	133,736	3.7
East York	99,116	3.0	(1,441)	(1.5)	97,675	2.7
Outer Three	**1,285,440**	**38.3**	**30,647**	**2.4**	**1,316,087**	**36.4**
Etobicoke	296,277	8.8	2,082	0.7	298,359	8.3
North York	560,899	16.7	(6,449)	(1.1)	554,450	15.3
Scarborough	428,264	12.8	35,014	8.2	463,278	12.8
Metro Toronto	**2,110,973**	**62.9**	**34,927**	**1.7**	**2,145,900**	**59.4**
Fringe Total	**1,245,882**	**37.1**	**222,789**	**17.9**	**1,468,671**	**40.6**
Durham	279,161	8.3	35,077	12.6	314,238	8.7
York, Region	246,517	7.3	77,547	31.5	324,064	9.0
Peel	473,667	14.1	92,204	19.5	565,871	15.7
Halton	246,537	7.3	17,961	7.3	264,498	7.3
Region	**3,356,855**	**100.0**	**257,716**	**7.7**	**3,614,571**	**100.0**

Source: Data for Metro Toronto municipalities are based on the Metro Planning Department's P 1.20 summary. Data for fringe municipalities are based on Ministry of Revenue enumeration data

These trends are critical since they will have a profound impact on the future demand for and local distribution of services, housing and transportation facilities within the Region.

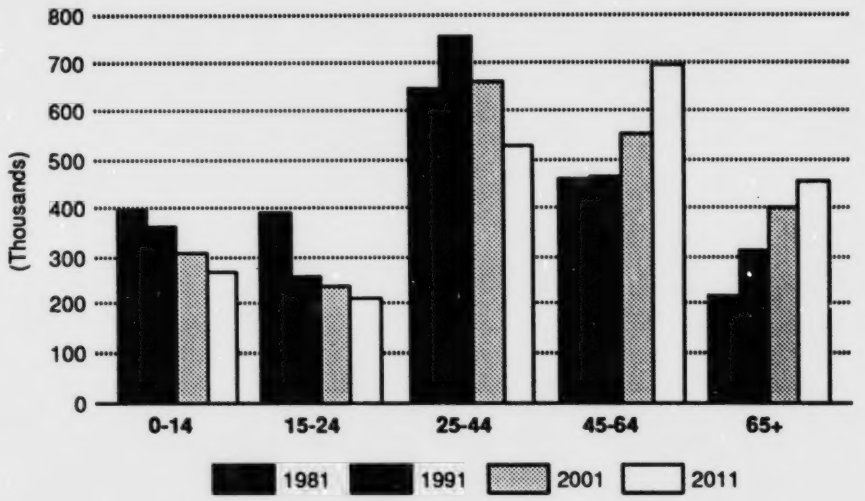
3.4.2 Labour Force and Employment Growth

The labour force of the Toronto Region constitutes the single largest labour pool in Canada. Of the 12.6 million Canadians in the labour force in 1985, 1.8 million or 14.2 percent live in the Toronto Region. This represents more than 30 percent of Ontario's labour force.

The decade between 1976 and 1985 saw a rapid change in the growth and distribution of the regional labour force, which grew in total from roughly 1.4 million to 1.8 million persons, an increase of 29 percent. In 1985, the regional unemployment rate stood at 7.5 percent, one of the lowest rates in Canada. By year end 1985, the total number of persons employed in the Toronto Region was estimated at 1.7 million.

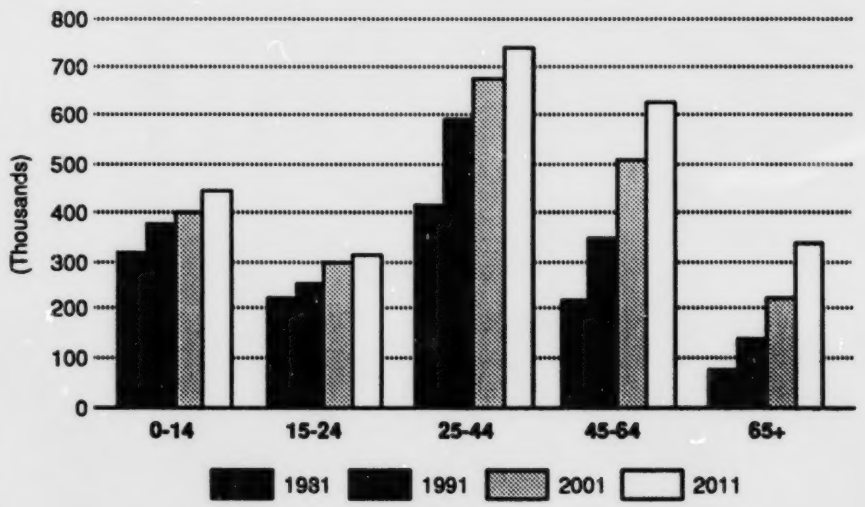
When the Metropolitan Toronto Planning Department's most recent projection for employment in Metro and the surrounding regions is compared with the projected distribution of the labour force by place of residence, it can be seen that, within Metro, the growth in employment will outstrip the projected increase in workers living in Metro. In the fringe, on the other hand, projected increases

Figure 2A
Projected Population by Age Groups
Metropolitan Toronto



Source: Metro Toronto Planning Department

Figure 2B
Projected Population by Age Groups
Fringe Regions



Source: Metro Toronto Planning Department

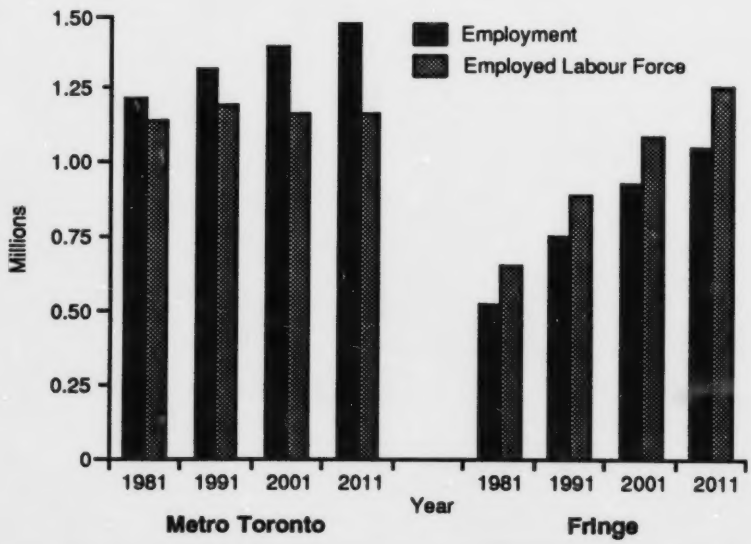
in employment will lag far behind projected increases in the working age population (resident labour force). These changes are illustrated in Figure 3. It should be noted, however, that the Central Area is projected to experience growth in the labour force, as it has in the past ten years. This reflects both new housing starts in the Central Area and the trend toward 'professional' families in which both people work.

The consequence of these employment and labour force trends is that, over the time horizon of the projections, there will be a significant increase in long-distance commuting within the Region. Unless there is a substantial increase in the number of employment opportunities in fringe locations, or a large increase in the number of workers residing within Metropolitan Toronto, the number of commuters crossing Metro's boundaries will rise substantially.

3.4.3 Female Participation Rates

Participation rates measure the proportion of the working age population who either work or are actively looking for work. A review of changes in participation rates for males and females over the past ten years indicates that much of the labour force and employment growth noted above, is due in large part to increases in the number of women entering the labour force. Participation rates for females have increased from 53 percent to nearly 63 percent over the 1976-85 period while participation rates for males has remained relatively constant at 81 percent over the same period. Many of the jobs taken by women were of the low paying clerical and service variety.

Figure 3
Comparison of Projected Employment and Employed Labour Force Growth 1981-2011



3.4.3 Part-time Workers

Part-time work in the Toronto Region has also increased dramatically. By 1985, over 200,000 workers in the Region worked fewer than 20 hours per week compared with only 177,000 in 1976. In the City of Toronto, an estimated 40,000 persons held part-time jobs in 1985, compared with only 22,000 in 1976.

Given possible differences in the travel behaviour, such as transit orientation and increased off-peak travel, higher proportions of female and part-time workers will influence assumptions governing forecasts of peak hour travel demand and should be monitored carefully, especially as they relate to the need for transportation investments in the future.

The implications of these changes will be examined in the following sections of the report as each of the major policy areas of the Central Area Plan is reviewed.

4 Deconcentration: An Evaluation

This Section of the report reviews four aspects of the deconcentration policy of the Central Area Plan. First, a discussion of the intent of the principle of deconcentration within the Metropolitan region is presented. Second, the basis upon which the general principle was translated into an actual land use plan for the Central Area is discussed, and the relevance of that original analysis in view of changing circumstances is assessed. Third, in accordance with the quinquennial review requirements of the Plan, an assessment of the distribution of office space and employment growth and change over the past ten years is presented. Finally, this section includes an assessment of whether the deconcentration process is proceeding as it was intended by the Plan.

4.1 The Principle of Deconcentration

As discussed in an earlier section, the principle of deconcentration is embodied in the Plan in an effort to ensure that Metropolitan Toronto will evolve as a transit oriented, multicentred urban area. The policy basically links the amount of office employment growth in the Central Area to the capacity of the existing and committed transportation system to accommodate such growth, as a means to control the rate of office development and employment growth in the Downtown and encourage the growth of the planned suburban sub-centres.

City Council cannot, of course, directly regulate levels of office employment in the Central Area. Land use controls are an indirect means by which to affect employment and trip growth.

On the basis of a 1975 consultant study, known as the Parkinson report, which identified a lower and upper transportation capacity limit in the area south of Bloor Street, associated high and low employment levels and office development control limits were derived. These limits, of between 6.55 and 8.18 million square metres (70.5 and 88 million square feet), established the context for controlling office development in the Central Area. At the same time, Sections 7.2(b) and 7.5 of the Plan restrict transportation improvements into the Central Area. Together, the application of these policies has over the last ten years permitted major transportation investments, particularly in transit, to be directed towards the suburban areas of Metro to promote the growth of the planned sub-centres.

Ten years after the approval of the Central Area Plan, the main question is whether it is appropriate to continue to rigidly pursue restrictive transportation policies which are designed to limit the amount of commercial development permitted in the Central Area. As a starting point for answering that question, it is important to understand whether the Plan originally intended that a permanent and absolute limit on office development be imposed.

4.1.1 The Intent of the Policies

Limiting the Rate of Growth

Since the approval of the Plan, there has been considerable discussion as to whether its original intent was to impose an absolute ceiling on the amount of office development in the Central Area or to control the rate, rather than the amount, of such growth. In the reports that led up to the Central Area Plan proposals, emphasis was given to the need to control office development in the Central Area for at least a ten-year period in order to give the process of deconcentration a reasonable chance

to become established. For example, in the March, 1975 "Principles" report, City planning staff, concluded:

> "Clearly, if the option for decentralized regional development is to be maintained, it would be desirable to postpone, to the extent possible, the attainment of sufficient office space in the Central Area to accommodate around 435,000 jobs. Ideally, it would mean programming this development to at least 1985" (p. 25).

In the subsequent development and approval of the Central Area Plan, the issue of the time-frame and intent of the transportation constraint policy and the associated development control limits became blurred. After the period of public discussion of the Central Area Plan proposals, the Planning Board introduced the idea of explicit review or trigger figures. The addition of the review limits was designed to "... safeguard the implementation of the policy of deconcentration" and explicitly extended the horizon of the Plan to 1991, the last five-year review date specified.

On the other hand, in its majority decision on the Central Area Plan, the OMB noted that the issue of a time-frame was of little importance and that the more important point was that:

> "The deconcentration policies ... enable the projected office growth to take place within the Metropolitan area without incurring large, additional expenditures for transportation facilities servicing the Central Core."

The Cabinet's concern, in reviewing the Ontario Municipal Board's decision, was that the Central Area Plan policies on office development limits might be too restrictive. The Cabinet's Order-in-Council expressed concern over the "residual amount of office development" that represented the difference between the upper and lower capacity estimates and which was to be permitted for development at Council's discretion. This amount of office development potential was considered by the Cabinet to represent an "inordinate" degree of flexibility and, consequently, it recommended that the review limits be raised to reflect more accurately the upper development limit. As a part of the reasoning behind this recommendation, the Cabinet's Order-in-Council includes the following significant statement:

> "Finally, and of major significance, is that by relaxing the constraints in the rate of growth, better utilization of the transit system serving the Central Core at an earlier time will be encouraged."

It is also interesting to note that Metro's position in approving the Central Area proposals, particularly the transportation sections of the Plan, Sections 7.2(b) and 7.5, was based largely on the understanding that the Plan was being proposed on a ten-year basis. In a June, 1976 report which reviewed the Central Area Plan proposals, the Metropolitan Commissioner of Planning states:

> "It is only necessary here to restate the Metropolitan viewpoint that reliance on the committed transportation system is still essentially a short term (to 1986) concept reflecting current priorities and subject to the ultimate feasibility of deconcentration policies."

There appears, therefore, to have always been some confusion over the original intent of the Central Area Plan's policies of relating commercial development to the available capacity of the existing and committed transportation system. The establishment of an office space monitoring process related

to five-year review limits, indicates that the Central Area Plan is very much concerned with controlling the rate of development. The question of whether the Plan intended to permanently impose absolute limits on the future amount of development has been the subject of some debate. The experience of the last ten years has shown that the land use provisions of the Plan have been continually relaxed and, in this context, it has proven unrealistic to assume the continued maintenance of absolute development limits.

Limiting Growth to the Central Core

Another principle of the Central Area Plan was to limit office development to primarily within the Central Core and, then, within the Core itself, to give priority to the Financial District. At the time the Central Area Plan was prepared, however, little attention was given to the area south of Front Street. Since 1976, the area south of Front Street has undergone considerable planning change, as discussed in previous sections. These changes, which largely complete the planning process for the area south of Front, have added considerably to the amount of office space that can be built beyond the original aggregate control totals for the Central Core. (See Section 2.5.3.)

The Relationship Between Total Capacity and Rate of Development

A further principle upon which the Central Area Plan rests, asserts that the rate of office space development is related to the total level of development permitted by the Zoning By-law and Official Plan provisions. It was argued at the time that if the zoned capacity of the Plan were adjusted up or down, the probable rate at which the permitted development potential is taken up or built would also move up or down, all other things being equal. However, in the real world, all other things seldom are held equal, and the actual rate of development is, of course, dependent upon a great many economic considerations including those relating to demand as well as supply conditions. In the recent OMB hearing on the Railway Lands Part II Plan, it was accepted that the impact of approving the proposed commercial development levels might be to increase the average annual rate of office space absorption (1976-1985) in the Central Area by up to 10%. As discussed more fully later, there is currently considerable uncertainty attached to future projections of Downtown office employment growth and the demand for new space.

The Mechanism Vs. The Principles

One result of the application of these principles of the Central Area Plan has been to establish the belief in many minds that there is a strong, direct, and immutable relationship among the factors of office space development, employment growth and additional peak-hour commuting. As Background Paper No. 8 explains, these relationships, although based on a number of assumptions, were defined in the 1976 Plan in relatively precise arithmetical terms. As a consequence, perhaps, there may have developed a general tendency to attach to the deconcentration component of the Plan a numerical fixity and predominance that was never originally intended. To the extent that this is the case, there may also exist a tendency to over-emphasize the mechanism of the Plan at the expense of recognizing or understanding more fully the principles upon which it is based. The adoption of the monitoring and review processes of the Plan reflect, in part, a desire to correct for this situation by adding an element of flexibility and adjustment to the Plan by permitting both the mechanisms and the principles to be reviewed and modified in the light of experience.

4.2 The Transportation/Development Rights Relationship: The Principles Originally Applied and the Experience of the Past Ten Years

The original analysis undertaken at the time of the Central Area Plan, began with Parkinson's estimate of the capacity of existing and committed transportation system. On the basis of this estimate, another estimate of future employment levels that could be accommodated by the system was generated. A further analysis then translated the employment levels into aggregate development rights. A last step then translated the aggregate figure into actual zoning and Official Plan designations.

Throughout this process a series of assumptions was made. These assumptions are briefly discussed in this Section. (A fuller discussion is presented in Background Paper No. 8.) As discussed below, the assumptions made were numerous and experience has shown many of them to not have been entirely correct. On the basis of these assumptions, however, very precise arithmetical figures for office development in the Core were derived.

4.2.1 Estimating Available Peak-Hour Transportation Capacity

The original Parkinson analysis estimated the peak-hour capacity of existing and committed transit facilities to bring commuters into that part of the Central Area south of Bloor Street. These capacity estimates of individual transit modes were, however, subject to interpretation.

a) Peak-Hour Capacity Estimates

Transit

In 1976, Parkinson estimated the combined, maximum peak-hour capacity of the Yonge-University subway lines to be 66,000 passengers per hour per direction (or 33,000 pphpd on each line). More recent TTC/Metro studies have shown a realistic figure to be around 34,000 for each line, close to Parkinson's original estimate.

Parkinson estimated that the capacity of the existing streetcar system could be incrementally expanded by the addition of new vehicles. It was recognized that in the long-term the residential growth potential of the areas served by the streetcars would be the limiting factor in determining streetcar ridership potential. Information from the Metro Cordon Count Program over the 1975-1985 period shows a steady decline in peak-hour streetcar ridership into the Central Area. This decline in ridership has also been reflected in a reduction in streetcar services into the Central Area during this period. Consequently, with respect to additional streetcar capacity, the original assumptions have not proven true over the first ten years of the Plan.

In looking at other TTC surface transit routes, Parkinson felt that only the Bay Street route had the potential to increase capacity through incremental expansion. Cordon count data shows that peak-hour ridership on bus and trolley coach routes into the Central Area has remained basically stable over the 1975-1985 period with some year to year fluctuations around the average figure.

Parkinson estimated that regional buses might also play a larger role in bringing people into work in the Central Area in the future. However, since 1976, GO-transit, the major component of inter-

regional commuter bus service, has adopted a policy of terminating many of its peak-period services at subway stations in the suburban municipalities. Consequently, fewer GO-buses operate directly into the Central Area and cordon count data for the 1975-85 period show little change in peak hour use of this mode of travel to the Downtown.

Parkinson's estimates for regional commuter rail services have also not proved correct over time. Parkinson estimated that combined VIA and GO Rail could provide a limited increase in additional peak-hour capacity of between approximately 10,000 to 13,000 passengers into Union Station. Today, the limited VIA rail commuter services have been taken over by GO-transit and the future expansion plans for GO-rail services are considerably greater than those "committed" at the time of the Parkinson Report. Recent Provincial/Metro studies indicate that incremental capacity increases to the existing GO Rail lines serving Union Station could increase peak-hour capacity to Union Station to 33,000 passengers. Further relatively modest enhancements to service could increase capacity to 39,000 passengers. Cordon count data show that over the 1975-85 period, GO Rail has seen a doubling of peak-hour ridership into the Central Area.

The Parkinson Report also included an estimate of additional peak-hour capacity resulting from the introduction of TTC express bus services, but to date no such services to the Central Area have been introduced. Over the past few years, the Sherbourne Express bus proposal has been discussed as a possible short-term means by which to relieve congestion on the subway at the Bloor/Yonge interchange but to this point conditions have not warranted the introduction of this relief measure.

Roads

The Parkinson Report considered the capacity of the road system serving the Central Area as fixed and, therefore only looked at additional transit capacity. The fact is, however, that over the last ten years peak-hour automobile passengers into the Central Area have increased by some 6%. Cordon data indicate that this increase has not been steadily upwards and includes fluctuations from year to year, with the highest ridership level in the 1975-1985 period being recorded in 1979 for the Central Area cordon. However, because of a slight decline in the auto occupancy rate, the comparable increase in auto *vehicles* over the 1975-85 period has been 12%, with 1979 again being the peak-year. This increase in peak-hour auto vehicle trips has occurred in the absence of any major improvements to the Central Area road system and presumably at the cost of increased congestion and slower travel speeds.

Transportation Usage Since 1975

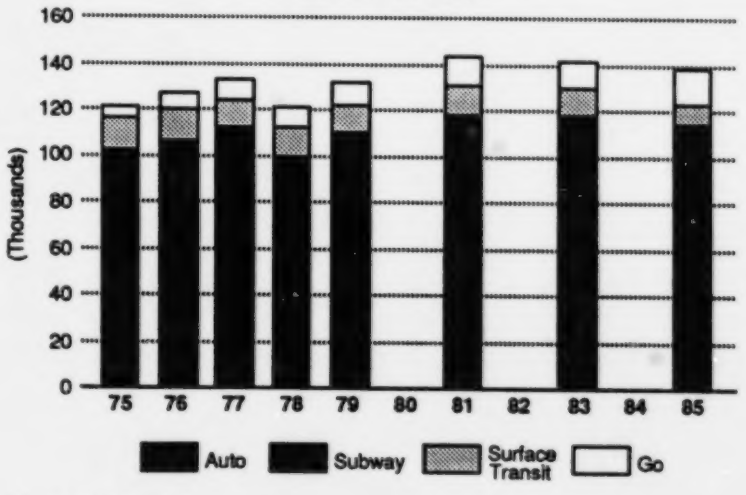
Cordon data for the inbound, morning, peak-hour movement of passenger trips into the Central Area are displayed in Table 2 and shown graphically on Figure 4. It can be seen that over the 1975-85 period, inbound a.m. peak-hour trips into the Central Area peaked in 1981 and then have marginally declined since that point to 1985. Within the context of this marginal decline in total person trips, there has been a slight shift in the overall modal split from transit to auto in the Central Area. This shift has mainly arisen from a declining level of subway ridership from the peak figure of 1981, while auto passenger trips have continued to steadily climb back towards their 1979 peak. Throughout the ten-year period, GO-transit has shown consistent peak-hour growth, particularly over the 1979-85 period. On the other hand, surface transit ridership has shown a slow but steady decrease in peak-hour volumes.

Table 2
Inbound Person Trips to the Central Area
(A.M. Peak Hour)

Year	Private Auto	Taxi	Subway	TTC Bus	Other Bus	Street-car	Subtotal TTC Surface Transit	GO Train	Total Person Trips
1975	43,184	981	59,107	1,095	962	11,338	12,433	6,223	122,890
1976	42,602	1,076	63,572	1,419	1,452	10,535	11,954	7,633	128,289
1977	45,168	1,268	66,253	1,475	1,671	9,663	11,138	8,678	134,176
1978	44,075	1,135	54,615	1,002	1,579	10,894	11,896	9,709	123,009
1979	49,043	1,196	60,671	1,163	1,782	10,116	11,279	9,735	133,706
1980	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1981	43,100	1,140	74,975	1,193	1,264	10,700	11,893	12,460	144,832
1982	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1983	45,379	1,232	71,543	1,134	1,481	9,949	11,083	12,875	143,593
1984	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
1985	45,737	1,252	67,292	1,456	1,072	7,385	8,841	15,930	140,124
75-85 change	**2,553**	**271**	**8,185**	**361**	**110**	**(3,953)**	**(3,592)**	**9,707**	**17,234**
75-85 % change	**5.9**	**27.6**	**13.8**	**33.0**	**11.4**	**(34.9)**	**(28.9)**	**156.0**	**14.0**

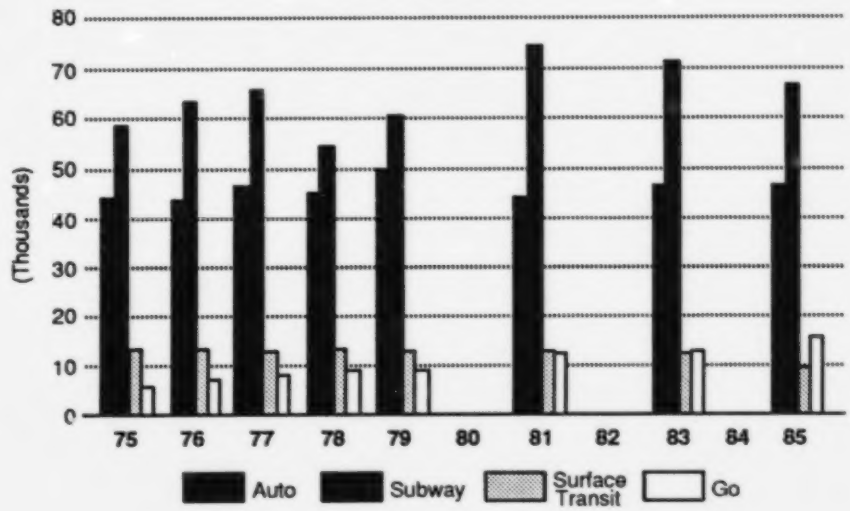
Source: Metropolitan Toronto Planning Department Cordon Count Program

Figure 4A
Inbound Person Trips to the Central Area
Cumulative Totals
(A.M. Peak Hour)



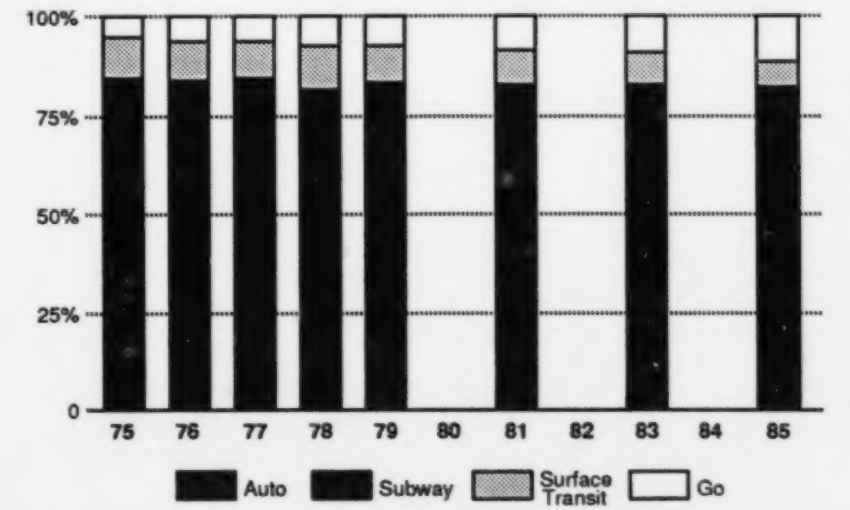
Source: Dept. of Public Works

Figure 4B
Inbound Person Trips to the Central Area
Totals by Mode
(A.M. Peak Hour)



Source: Dept. of Public Works

Figure 4C
Inbound Person Trips to the Central Area
Share by Mode
(A.M. Peak Hour)



Source: Dept. of Public Works

From the above discussion, it can be seen that the transportation capacity assumptions and predictions of the 1975 Parkinson Report have been of varying accuracy for the 1975-85 period. Generally speaking, the anticipated increases in surface transit use and capacity (streetcars, buses, trolley coaches, regional and express buses) have not developed as expected. In contrast, however, GO Rail ridership increases have been of greater significance than originally forecast and the potential for incremental expansions to the capacity of this system is greater than originally believed possible. Surplus capacity still remains on the subway system south of Bloor Street, although 80% of the available capacity is on the University line, with the Yonge line operating close to capacity today in the peak-hour. Also, the 1975-85 period has seen a modest increase in auto commuting into the Central Area despite the fact there have been no major improvements to the road system.

b) Capacity Utilization

In addition to these explicit assumptions regarding future estimates of peak-hour transit capacity, implicit assumptions were made about how this capacity would be utilized. As with the capacity estimates, experience has not necessarily supported these assumptions.

Trip Purpose Assumptions

It was implicitly assumed that all the additional transit capacity identified in the Parkinson Report would be available for office work trips. This means there would be no change in the level of peak-hour, non-office trips, such as other work trips (industry, institutional, retail) or non-work trips (school, shop). From the available data, it is difficult to judge how realistic this assumption has proven to be.

Based on relatively coarse estimates of 1970 employment levels, the data indicate that, over the 1970-85 period, total Central Area employment increased by approximately 53,000 jobs. Over this period, increases in office jobs were partly off-set by decreases in manufacturing jobs. Based on more reliable data for the 1981-85 period, it now appears that the decline in Central Area manufacturing jobs has levelled out, while gains in full-time office employment over this period have been small. Obviously, when looking at the impacts on the Central Area transportation system, changes in all occupational categories, not just office, have to be looked at.

Trip Distribution Assumptions

It was implicitly assumed that all the additional transit capacity would eventually be fully utilized. This means the supply (capacity) of transportation services will perfectly equate with the pattern of demand (use) for such services. From the above discussion, it can be seen that this assumption has not always proven correct. Perhaps, the best example to illustrate the point is that of surface transit, where the ability to incrementally expand such services has proven of little value in the absence of a growth in the demand of surface transit ridership into the Central Area. However, this situation could change in the future if the Central Area labour force grows as a result of new residential growth in parts of the Central Area served by surface transit.

Trip Orientation Assumptions

It was implicitly assumed that all the additional transit capacity would be used for *inbound* office work trips. This means that the amount of through traffic travelling right across the Central Area

remains unchanged. It is difficult to estimate accurately from cordon data whether or not the proportion of through trips in the Central Area is changing. Merely subtracting inbound cordon volumes from outbound volumes does not provide an accurate answer to this question. On the other hand, it can be argued that, as the Central Area grows and becomes more congested, there will be an increasing tendency for marginal through trips to be diverted to other routes around the Central Area, thus making more capacity available for purely inbound trips destined to Central Area workplaces.

4.2.2 Estimating Office Employment Levels on the Basis of Available Transportation Capacity

The Quality of Service Factor

Transportation capacity is not normally expressed as a single figure, except in the extreme case of the upper limit at which point a facility or service becomes over-loaded and ceases to operate. Usually, the notion of capacity is related to some measure of the level of service.

For the entire system as a whole, Parkinson made the assumption that current levels of crowding could be accepted as appropriate for future planning purposes, or a 5% reduction in the additional "capacity" estimates could be applied to allow for a slightly more generous level of service or comfort. This 5% reduction was applied to the lower capacity limit developed by Parkinson in the exercise of translating transportation capacity to employment levels. In the case of the Central Area road system, however, the actual situation has presumably gone the other way since the volume of traffic has increased over an unchanged system, resulting in marginal increases in congestion.

The general point is that there can be considerable variation in estimates of transportation capacity depending upon what is considered to be an acceptable level of service. Often, in practice, transportation facilities operate at beyond the accepted level of crowding and are said to be "beyond capacity" though still managing to operate, as was the case in 1981 when the Yonge subway experienced a peak beyond its designed capacity. The problem is further compounded by the fact that often congestion occurs at only one, localized point on a facility or service for a short period of time.

The Peak-Hour Factor

The Parkinson Report assumed a general peak-hour factor of 57% for all work trips. This figure means that 57% of all peak-period, Central Area work trips are expected to occur in a single peak-hour. Parkinson estimated that, over time, this figure might fall to 53% as the peak-hour becomes increasingly congested and a greater portion of trips occur around the "shoulder" of the peak-hour. The 53% assumption was used in deriving the upper level of transit capacity estimate.

The recent surveys of Central Area office buildings by City planning staff in 1984 and 1986 reveal that the peak-hour factor for purely office work trips appears to be somewhat higher than the general Parkinson estimates, being in the area of 66%. This would suggest that there may remain a considerable potential for the staggering of peak-hour office work trips. However, the impact of Parkinson having used an apparently low estimate of the peak-hour factor would be to over-estimate the total amount of office employment that could be accommodated by a given increase in peak-hour transportation capacity.

The Absenteeism Factor

It is generally acknowledged that, on any given weekday, not every Central Area office employee travels to the Downtown workplace. An accepted rule-of-thumb is that on average 10% of the workforce is "absent" for one reason or another on a typical work-day. This 10% factor was used in the Parkinson Report.

Today there are arguments to suggest that the true number may be higher than 10%. The principal reasons relate to the facts, noted in earlier sections of this report, that much of the recent increase in Central Area office employment has been in part-time jobs and that the occupational structure of office employment is changing towards a greater proportion of managerial and professional employees. Part-time workers may have less impact on the peak-hour transportation system than their full-time counterparts, since many will not travel into work every day of the work week and are more likely to work shift hours outside the peak. Managerial/professional office employees are more likely to spend time away from the office and to travel to and from work at less regular hours.

The effect of increasing the assumed "absenteeism" factor is to increase the estimate of office employment growth that a given increase in transportation capacity can accommodate.

The Walk-to-Work Factor

For the Central Area, the traditional assumption has been that approximately 5% of all peak-hour office work trips are made by foot or bicycle and, therefore, do not place any direct demands on the capacity of the transportation system. There appears to be some evidence that the percentage of Central Area residents walking to work has increased over the 1968-81 period. City planning staff are currently conducting a survey to determine if the postulated trend towards an increasing proportion of walk and cycle to work trips is continuing. To the extent that the walk-to-work trip is increasing, both in absolute and proportional terms, the need for major transportation improvements is diminished.

Recent Central Area housing and population projections suggest that this trend is likely to continue into the future. However, even with this strong local housing market, it is unlikely that a major proportion of peak hour trips will be walk-to-work.

4.2.3 Estimating Permitted Development Levels on the Basis of Office Employment

From the Parkinson estimates of available transportation capacity, City planning staff were able to estimate the growth in office employment that could be reasonably accommodated by the existing and committed transportation system serving the Central Area as defined in 1975. However, as mentioned before, the City cannot directly control employment growth and, therefore, the indirect means of controlling the development of office floor space had to be employed. This step required that estimates be made of the future amount of floor space required by the permitted level of office employment growth. Two key variables are involved in the development of these floor space estimates, both of which have experienced change in the last ten years.

The Floor Space Per Worker (FSW) Index

As discussed later in this Section, evidence suggests that there has been a noticeable rise (14%) in the FSW index over the 1975-85 period. In the Parkinson analysis an FSW index of 24.15 square metres (260 square feet) per employee was used in determining in the lower development limit, increasing to 25.5 square metres (275 square feet) in the estimate of the upper development limit. In fact, by 1985 the FSW index had already climbed to 26.0 square metres (280 square feet) and the indications are that, with current trends in the occupational re-structuring of the Central Area office labour force and the continued impacts of technological change, this ratio may climb even higher. (see Background Paper No. 5)

The obvious implication of a rising FSW ratio is that increasingly more office space can be built in the Central Area with diminishing impacts on employment and trip growth.

The Vacancy Rate Factor

The 1976 analysis assumed that a 5% vacancy rate represented, for planning purposes, an acceptable long-run market equilibrium, though the path to this equilibrium figure might well involve short-term vacancy rates above and below this figure depending upon particular market conditions. Vacant space is understood to mean office space that is built and available on the market but not leased. An increase in the vacancy rate will generally have the effect of off-setting the employment and trip growth impacts of new office development, whereas a decrease in the vacancy rate will have the reverse effect. In 1980, Central Area office vacancy rates averaged 2%, their lowest for the 1975-85 period, then climbed to a high of 12% in 1984 and now stand at around 9% in mid-1986.

As discussed later in this section of the report, there are indications that, due to the processes of technological change affecting the office sector, the equilibrium vacancy rate of office space might be increasing to be closer to the 10% level rather than the 5% level originally assumed. Also technological changes may be increasing the demand for new "smart" buildings which, in part, replace, rather than add to, the stock of older existing office space which then may be abandoned or converted into other uses and, therefore, cause the vacancy rate to rise. The effect of a higher equilibrium vacancy rate would be to, again, diminish the impact of increasing the supply of office space on employment and trip growth. (See Background Paper No. 2.)

4.2.4 Allocating Aggregate Floor Space Limits Through Zoning

Having derived the permitted amount of office space development that can be accommodated by the available capacity of the transportation system, through the analysis outlined above, there remained the final step of converting this floor space figure into appropriate zoning designations. At this stage, the problem became one of determining the appropriate designations, in terms of permitted commercial development densities, to enable the development of the allocated aggregate office space to be realistically achievable.

To address the problem of allocating development rights, an approach that became known as the "Hard/Soft Analysis" was developed. As with the other stages in this process, assumptions were made which have not entirely been borne out by experience.

The first step in the Hard/Soft analysis was to divide properties into two classes: *a priori* "hard" sites upon which redevelopment was unlikely to occur and "soft" sites upon which development might occur depending on the maximum commercial development to be permitted. Hard sites comprised the following classes of properties:

1. properties on which a building had been constructed within the previous five-year period;
2. properties on lands zoned for residential or institutional purposes;
3. properties containing publicly owned buildings of historical significance (e.g. Osgoode Hall and St. James Cathedral), and
4. properties exceeding the existing maximum development density of 12 times coverage.

The hard sites were then eliminated from the analysis and the remaining soft sites on each block were amalgamated into a residual block and the existing density of the residual block was calculated. Attention then focussed on distributing 1.35 million square metres of permitted office development, the amount that had been derived from the transportation capacity analysis, over the residual soft blocks.

However, the redevelopment potential of the soft blocks depends upon the zoning designation given them which, in turn, depends, in part, on the 1.35 million square metres of development rights available. At the outset it was necessary to decide upon a general relationship among the zoned capacity of a soft block, its existing development density, and the likelihood of achieving redevelopment to the zoned maximum. City planning staff argued that the zoned capacity of the Plan should be 1.4 times the 1.35 million square metres of permitted office development if this target was to be achieved over the life of the Plan.

By taking the reciprocal of the 1.4 factor, the so-called "70% cut-off factor" was established for individual sites, which meant that for any soft block where the ratio of existing development to zoned capacity was less than 70%, it was assumed that the block would be redeveloped. Where this ratio was greater, it would be determined to be *a posteriori* hard and it was assumed the block would remain at the existing density.

However, the proposed zoning cannot be determined independently at the outset and an iterative method, using the 70% cut-off factor, had to be developed to simultaneously solve for the zoning while ensuring the target development figure (1.35 million square metres) was exactly met. Such a method was applied to determine the commercial zoning densities in the Central Core permitted by the Plan.

From the above discussion, it is evident that the zoned capacity of the Central Core has *always* exceeded the capacity of the transportation system because of the assumption of the 70% factor. In fact, the cut-off factor is implicitly related to a long term time horizon when it is expected that, on average, the redevelopment of even those buildings whose existing coverage is 70% of the permitted maximum will be the norm. In theory, if the Plan remained in place beyond this time then, ultimately, every ounce of development rights might be used up as older buildings are replaced by only slightly larger ones.

Finally, it should be noted that, like all the other assumptions discussed above, those relating to the Hard/Soft Analysis did not always fully apply in practice. For example, the Lord Simcoe Hotel,

which had an existing density exceeding 12 times coverage, has been demolished and replaced by a smaller office development.

4.2.5 Conclusions

The preceding sections have looked at the original intent of the Plan to limit office growth in, and transportation improvements to, the Central Area. It has been shown how it has proven unrealistic to assume that the Plan would permanently place an absolute limit on the total amount of office development in the Core. The Plan was directed at controlling the rate of growth over the short- to medium-term to assist in achieving deconcentration. An all-time ban on major transportation improvements was never intended and, as discussed in Section 5, it is the timing of these improvements that will in future affect the success of the deconcentration process.

This section has also listed and reviewed the numerous steps taken in developing and defining the original relationships between transportation capacity and permitted development levels as presented in the 1976 Central Area Plan. These steps involve numerous assumptions and, as revealed by the monitoring process, not all have proven correct.

What this discussion suggests is that the exact numbers associated with the office policies of the Plan, as derived from the original analysis, should not be over-emphasized at the expense of the underlying principles. The mechanism of the policy requires review and readjustment as circumstances change. The assumption that there is an overall relationship between development and transportation remains generally valid. However, the relationship is not a simple or direct one and is certainly not immutable. This theme is developed more fully in Section 5 of this report.

4.3 The Quinquennial Review Requirements

The Plan requires that a number of factors be monitored annually and that five year reviews of certain indicators be conducted, as outlined in Appendix 1. These include:

a) annual reports on the rate of office space growth in the Core, and 5 year reviews in terms of the office "limits";
b) annual reports on office rents;
c) 5 year reports on trends in absorption and vacancy rates;
d) 5 year reports on the distribution of office space in the region;
e) 5 year reports on the development, capacity and utilization of the transportation system;
f) the appropriateness of the floor space per worker ratio (fsw) in terms of conditions prevailing at the time of the review;
g) the extent to which the "historic" bonus policy (Section 1A.42) has been used; and
h) the amount of commercial space for which building permits have been issued.

Technical material related to these requirements are contained in the Background Papers published separately. The findings of the Background papers relating to office trends are summarized here.

4.3.1 Central Area Office Growth In Relation to Official Plan Policy Objectives

Office Space Review Limits

The review limits established in the Plan of 5.8 million square metres in 1981, 6.4 million square metres in 1986 and 7.0 million square metres by 1991, act as a signal, a kind of early warning system, to indicate when the rate of office growth in the Core may be excessive.

Monitoring data maintained by the Planning and Development Department show that as of January 1, 1986 there was a total of 5,722,228 square metres (61.6 million square feet) of office space in the Central Core. This represents a 34% increase in the total supply of office space in the Core over the past 10 years, representing an average rate of growth of 146,000 square metres (1.6 million square feet) per year. An additional 245,941 square metres (2.6 million square feet) was under construction, with 885,251 square metres (9.5 million square feet) in various stages of the approval process.

Figures 5 and 6 clearly demonstrate that the rate of office development within the Central Core is well within the established 1986 review limit of 6.4 million square metres. A cushion of 431,000 square metres (4.6 million square feet) exists between the limit and the total amount of office space completed and under construction in the Central Core as of January 1, 1986.

Figure 5
Growth of Office Space since 1976 in Relation to Official Plan Review Limits

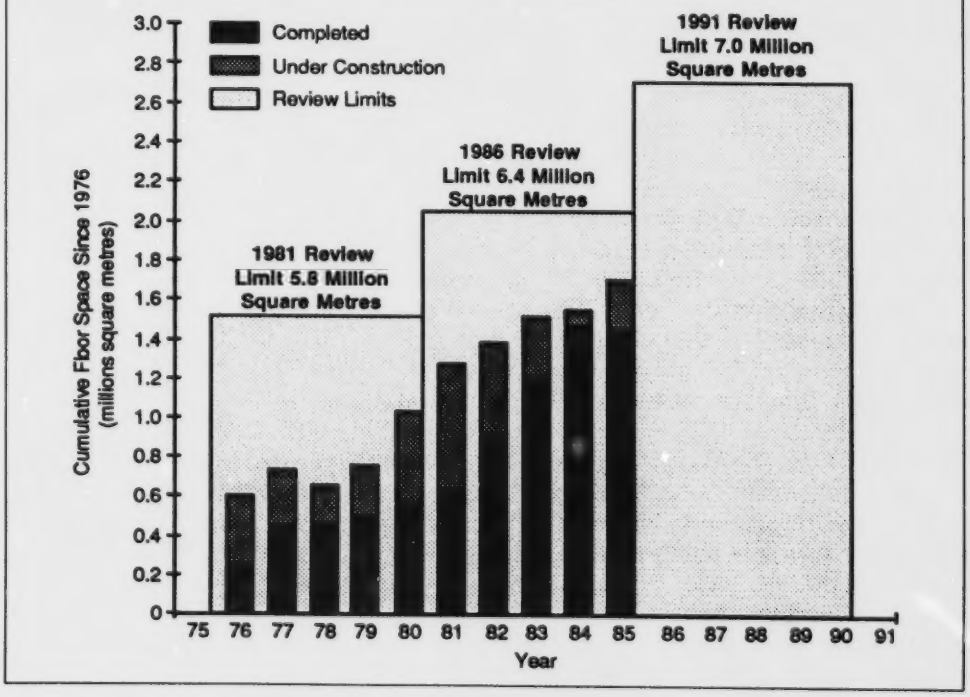
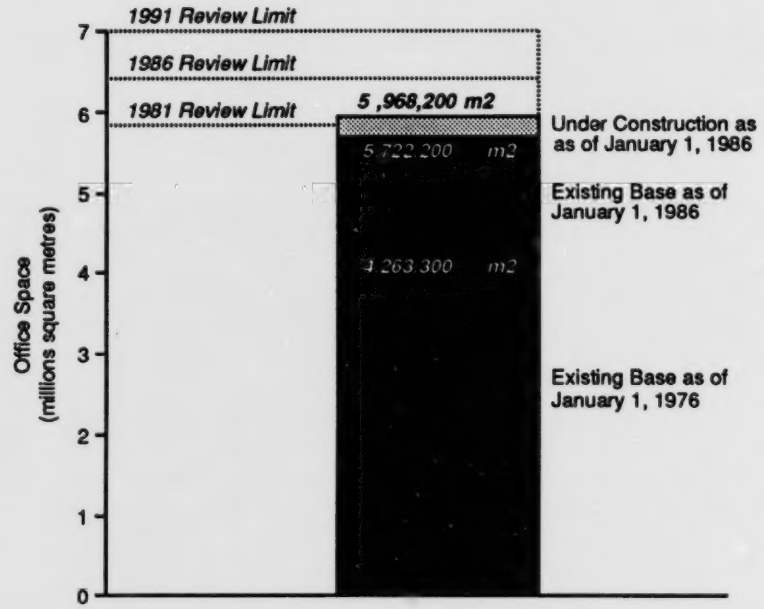


Figure 6
Status of Office Space in the Central Core
January 1, 1986



The Location of Central Area Office Growth

The Central Area Plan also recognizes the Financial District as the major employment centre in the metropolitan region. Accordingly, this District is assigned first priority for future office development.

The Financial District's share of total office space in the Core since 1976 has increased. Over the last 10 years, 56% of all office development in the Core was located in the Financial District, compared with 32% in the High Density Mixed Commercial-Residential (HDMCR) areas and only 12% in the remainder of the Core. The Financial District's share of total Central Core space presently stands at 46%, up from 42% ten years earlier.

Increases in the Development Capacity of the Central Area

While the actual rate of office growth remains comfortably within the review limit of 6.4 million square metres established by the Plan, as noted earlier, the total commercial development potential of the Core and several areas bordering on the Core within the Central Area have increased considerably as a result of zoning changes and ammendments to the Official Plan which have been approved since 1979.

Table 3 indicates major changes and the extent to which they have added to the potential office development capacity of the Central Area since 1979.

Table 3
Major Office Capacity Additions Since 1979

Description	Additional Commercial Development Potential (sq. metres)	Additional Commercial Development Potential (sq.feet)
Site Specific Ammendments (OMB ordered)	230 000	2,475,780
Central Industrial District	505 832	5,444,909
Harbourfront	110 000	1,184,069
Railway Lands (1986)	604 096	6,502,650
Other Site Specifics (since Plan approval)	425 475	4,579,925
Central Bayfront	148 640	1,600,000
Massey	131 893	1,419,734
Grand Total	**2 155 936**	**23,207,067**

In the short run, these increases in Central Area growth potential will not likely have a significant impact on the supply of office space in the Central Area given the extended time horizons for development of many of the projects concerned. They are unlikely, therefore, to threaten the 1991 Review Limits for office growth.

4.3.2 Trends In The Utilization of Office Space: The Floor Space Per Worker Ratio (FSW)

The floor space per worker (FSW) index is the standard measure used to determine the intensity of office use. The index represents the average amount of occupied office floor space used by an office employee.

From a land use and transportation planning perspective, the FSW index is an important factor in the estimation of future employment levels in existing and proposed office developments, and the Central Area Plan calls for the Quinquenninal Review to consider trends in floor space occupancy levels over time.

Table 4 and Figure 7 compare changes in the FSW index for Toronto's Central Core from 1960 to 1985. While the methods employed in the different surveys vary, all show FSW indices for the Core to be growing.

In 1960, a comprehensive survey of 4,800 firms estimated the FSW at 19.2 square metres (gross) per employee. By 1975, this figure had grown to an estimated 22.9 square metres per employee.

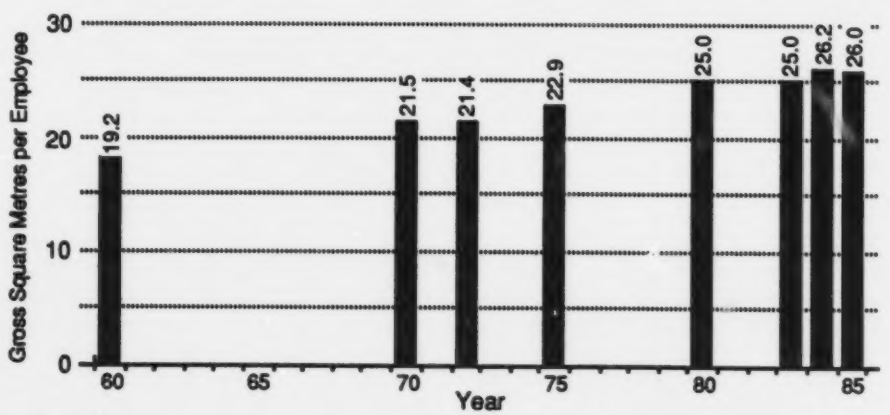
Since that time, the estimated FSW index for the Central Core has continued to grow. By 1985, the ratio had risen to 26.0 square metres, based on a sample of 161 office buildings located in the Central Core, an increase of 14% over 1975 levels.

Table 4
Trends in Floor Space per Worker Ratios
1960-1985

Year	Source	Sample	Area	FSW Gross* (sq. m)
1960	City of Toronto Planning Board	4,800 firms	Downtown Planning District	19.2
1970	Metro Planning Employment Survey	38 bldgs.	Central Core	21.5
1971/72	Dr. G.H.K. Gad, U of T	425 firms	Central Corridor	21.4
1975	IBI Group	51 firms	Central Core	22.9
1980	City of Toronto Planning & Development	265 bldgs.	Central Core	25.0
1983	City of Toronto Planning & Development	152 bldgs.	Central Core	25.0
1984	City of Toronto Planning & Development	162 bldgs.	Central Core	26.2
1985	City of Toronto Planning & Development	161 bldgs.	Central Core	26.0

* *Gross square metres of occupied building area - measured from outside wall to outside wall.*

Figure 7
Trends in Floor Space per Worker in the Central Core
1960-1985



Source: See Table 4

There are a number of factors which help to explain the increase of the FSW index over the past decade. One important factor relates to structural changes in the composition of the labour force employed in the Central Core. As was noted earlier, the proportion of managerial and professional workers has risen in the Core over the 1971 to 1981 period, reflecting the continuing attractiveness of Toronto's Central Core for the head office functions of many large corporations. At the same time, technological advances are permitting firms to relocate many of their "back-office" functions, which are largely clerical in nature, to suburban locations which command a lower rent and are in closer proximity to the growing suburban labour force. The growing proportions of higher order workers tend to occupy more office space than clerical workers and subsequently contribute to an increase in the FSW index. Also, the stabilization of Central Area office rents and current generous tenant inducements have encouraged some firms to increase their space consumption ahead of that demanded by employment increases.

4.3.3 Trends in Office Space: The Central Area and the Region

Many of the processes of change described in preceding sections have manifested themselves in the demand for, and distribution of, office space in the Toronto Region. Ongoing changes in the general economy have a spatial component and expression.

Regional Growth

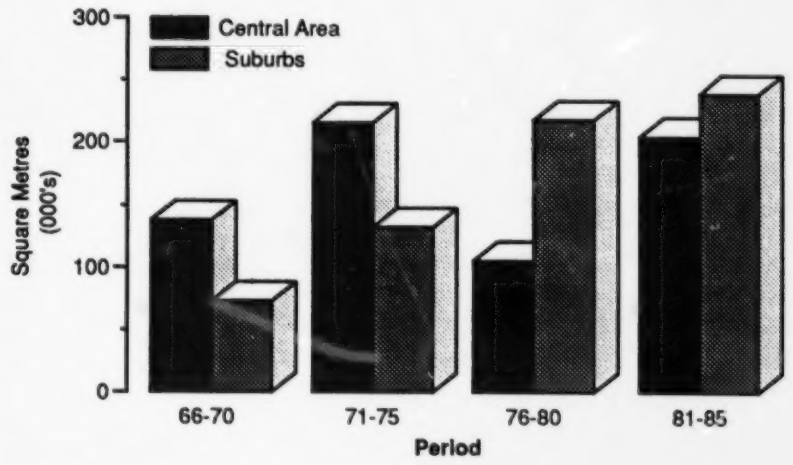
Over the past twenty years, the total supply of office space in the Toronto Region has more than quadrupled from 2 million square metres (21.5 million square feet) in 1966 to 8.5 million square metres (92 million square feet) in 1985. In 1985 alone, 402,000 square metres (4.3 million square feet) of new office space was constructed in the Toronto Region. Toronto's regional office market is now the largest in Canada and ranks eighth in size in North America, surpassed only by Manhattan, Chicago, Washington, Los Angeles, Houston, Dallas and Boston.

The Suburbanization of Office Space

One of the dominant trends influencing Toronto's office market is the rapid rate of suburbanization of office space. In 1966, the Central Area accounted for 76% of all the office space built in the region. By 1985 its share had fallen to 55% even though the total amount of office space built in the Central Area had tripled.

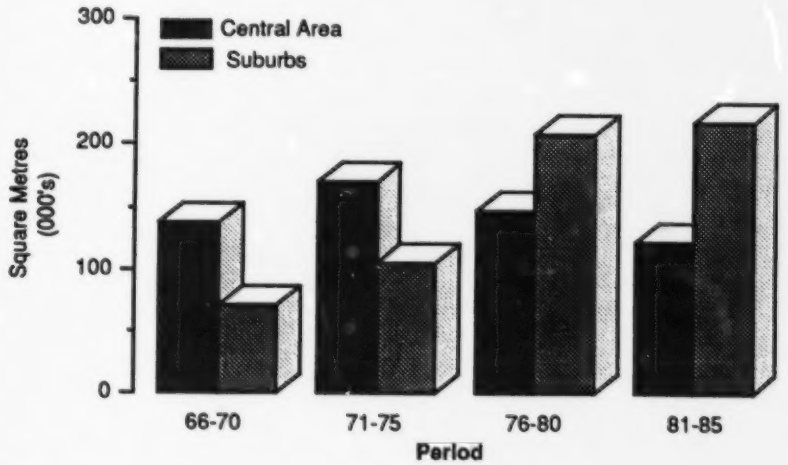
Figure 8 compares rates of office growth in the Central Area and suburbs over the 1966-1985 period. Between 1976 and 1985, the rate of office growth in suburban areas has averaged 228,000 square metres (2.5 million square feet) per year compared with 155,000 square metres (1.7 million square feet) per year in the Central Area. By year end 1985, a total of 3.9 million square metres (42 million square feet) of office space had been constructed in suburban areas.

Figure 8
Average Annual Rate of Growth
(Total Office Space)



Source: Royal LePage Ltd.

Figure 9
Average Annual Rate of Absorption
(Occupied Office Space)



Source: Royal LePage Ltd.

Between 1981 and 1985, fully 64% of the growth in occupied office space in the Toronto Region occurred in suburban areas compared with only 36% in the Central Area. It is clear that supply and demand for office space in buildings located outside the Central Area has gained considerable momentum.

The growing strength of the suburban office market is even more clearly illustrated by trends in the demand for office space as measured by the amount of space leased or "absorbed" annually. Since the peak demand period of 1971-1975, the demand for office space in the Central Area has gradually declined. By contrast, demand for suburban space has continually strengthened. (Figure 9)

Vacancy Rates Have Risen

A comparison of Figures 8 and 9 reveals that the supply of new office space in the Central Area has outstripped the demand for space over the 1981-1985 period. As a consequence, vacancy rates in the Central Area have risen sharply from a level of roughly 2% in 1980 to a high of 12% in 1984. Asking rents for Central Area office space have stabilised since 1981 and presently generous tenant inducements in the form of leasehold allowances and rent reductions are being offered to stimulate the demand for Central Area space. These soft market conditions have encouraged firms to increase their space consumption, even though there has not been a commensurate increase in the number of persons employed by the firms. Demand for Central Area space has, in turn, increased over the past year which should result in a lowering of the vacancy rate over the next year. Nevertheless, the data suggest that, over the long term, demand for office space in the Central Area may be dampening.

Demand for New Office Space

Independent of any significant employment growth, there may be an increase in demand for space in "smart" buildings which can meet the changing needs of office firms as their technological and telecommunications requirement change and grow. At present there are no data upon which to empiricially test the hypothesis that the 'smart' building phenomena may be fueling demand for new office space. However, the implications for the market of the smart building should be monitored. It has been suggested that the demand for this kind of space could contribute in the long run to a higher equilibrium vacancy rate in the market place. (See Background Paper No. 2.)

4.4 Deconcentration: Is it Happening?

The preceding sections have described in general terms how office growth has been distributed throughout the region over the past twenty years. Based on these observations, it is clear that while the Central Area has maintained its pre-eminent position as the primary office location, the suburbs have emerged as a strong alternative since 1976. This section will describe the extent to which office growth has been deflected to suburban office nodes with good access to rapid transit as opposed to more dispersed locations which are accessible primarily by private automobile, and will assess whether or not deconcentration can be said to be occurring.

Office space data furnished by Royal LePage Ltd. were broken out into 36 districts across the Region and then grouped into the following general categories:

- the Central Area
- office Sub-Centres (office nodes with access to rapid transit (subway or LRT))
- Office Parks (office nodes accessible primarily by private automobiles)
- Dispersed locations (scattered office locations)

The distribution of office locations by these types across the Toronto Region are shown on Map 4.

Map 4
Toronto Office Market Areas

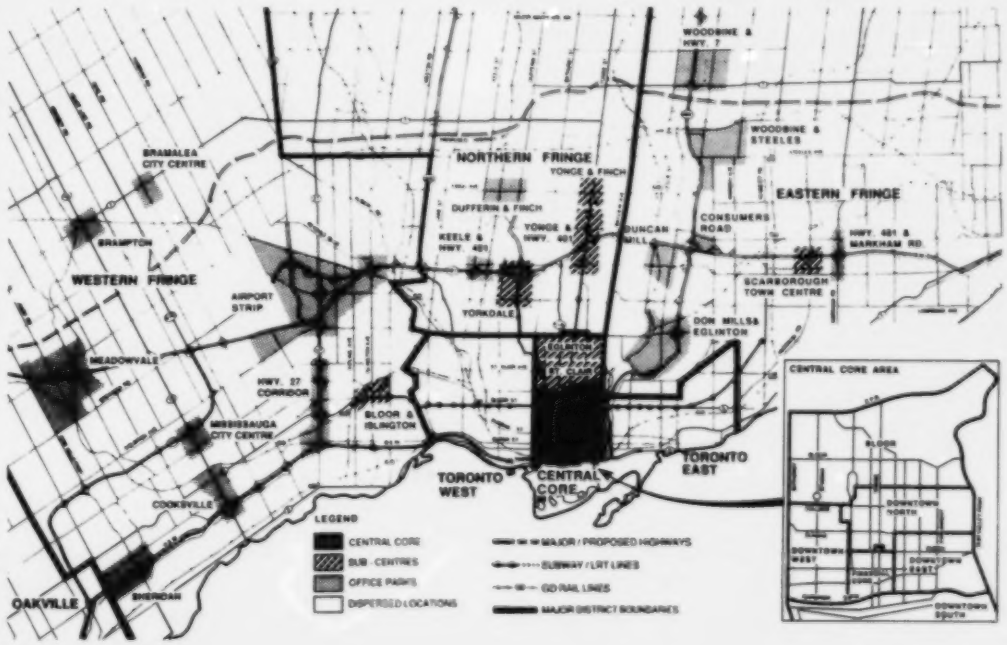


Table 5 summarizes key office space statistics by location as of year-end 1985. The Central Area accounted for 55% of the office space found in the region, followed by office parks (23%), sub-centres (15%) and dispersed locations (7%). Vacancy rates were highest in the Central Area, at 9.9%, and lowest in the sub-centres at only 5.0%. The data also show that over 1985, demand for office space in sub-centres was particularly strong, accounting for a 22% share of all office space absorbed in the region.

Average rental rates for vacant office space were highest in the Central Area ($302 per square metre), followed by sub-centres ($232), office parks ($165) and dispersed locations ($138).

The lower portion of Table 4 compares key statistics for transit-oriented (Central Area and sub-centre) and auto-oriented (office park and dispersed) locations. At a regional level, 70% of the total supply of office space was in transit-oriented locations, compared with 30% in auto-oriented locations. Vacancy rates were slightly lower in transit-oriented locations (8.9%) than in auto-oriented locations (9.2%). During 1985, transit-oriented locations accounted for 66% of the office space space absorbed in the region.

Table 5
Current Distribution of Office Space by Location
December 1986

Location	# Bldgs.	Total Office Space	% Share	Vacant Office Space	% Share	Vacancy Rate	Level of Demand 1985	% Share
Central Area	308	4 6726 51	55.0	463 750	61.0	9.9	224 614	44.2
Sub-Centres	126	1 302 236	15.3	65 579	8.6	5.0	113 224	22.3
Office Parks	233	1 933 590	22.7	177 256	23.3	9.2	109 941	21.6
Dispersed	124	594 844	7.0	54 187	7.1	9.1	60 798	12.0
Regional Total	**791**	**8 503 321**	**100.0**	**760 772**	**100.0**	**9.0**	**508 577**	**100.0**
Distribution within Region								
Transit-Oriented	434	5 974 887	70.3	529 329	69.6	8.9	337 838	66.4
Auto-Oriented	357	2 528 434	29.7	231 443	30.4	9.2	170 739	33.6
Regional Total	**791**	**8 503 321**	**100.0**	**760 772**	**100.0**	**9.0**	**508 577**	**100.0**
Distribution within Suburbs								
Transit-Oriented	126	1 302 236	34.0	65 579	22.1	5.0	113 224	39.9
Auto-Oriented	357	2 528 434	66.0	231 443	77.9	9.2	170 739	60.1
Suburban Total	**483**	**3 830 670**	**100.0**	**297 022**	**100.0**	**7.8**	**283 963**	**100.0**

Source: Royal LePage Ltd.

The data also show, however, that within the suburbs, fully two-thirds of all office space was located in auto-oriented locations. Sub-centres accounted for 34% of the total supply of space in the suburbs and 40% of the suburban office space absorbed during 1985.

Table 6 compares longer-term office growth trends over the 1966-1985 period in each of the major locational categories. These data clearly show the strength of growth in office park locations, particularly over the 1976-1980 period, when office growth in the Central Area accounted for only 40% of the regional total. Over the past five years, office growth in the Central Area and in sub-centre locations has strengthened significantly.

Table 6
Distribution of New Office Development
by Period of Construction and Location
1966 - 1985

Location	1966-70	% Share	1971-75	% Share	1976-80	% Share	1981-85	% Share
Central Area	604 103	60.0	1 039 949	56.9	671 924	40.9	1 059 727	48.8
Sub-Centres	95 990	9.5	265 165	14.5	219 339	13.4	417 469	19.2
Office Parks	283 122	28.1	372 951	20.4	605 310	36.9	541 314	24.9
Dispersed	23 776	2.4	150 281	8.2	144 710	8.8	152 864	7.0
Regional Total	**1 006 991**	**100.0**	**1 828 346**	**100.0**	**1 641 283**	**100.0**	**2 171 374**	**100.0**
Distribution within Region								
Transit-Oriented	700 093	69.5	1 305 114	71.4	891 263	54.3	1 477 196	68.0
Auto-Oriented	306 898	30.5	523 232	28.6	750 020	45.7	694 178	32.0
Regional Total	**1 006 991**	**100.0**	**1 828 346**	**100.0**	**1 641 283**	**100.0**	**2 171 374**	**100.0**
Distribution within Suburbs								
Transit-Oriented	95 990	23.8	265 165	33.6	219 339	22.6	417 469	37.6
Auto-Oriented	306 898	76.2	523 232	66.4	750 020	77.4	694 178	62.4
Suburban Total	**402 888**	**100.0**	**788 397**	**100.0**	**969 359**	**100.0**	**1 111 647**	**100.0**

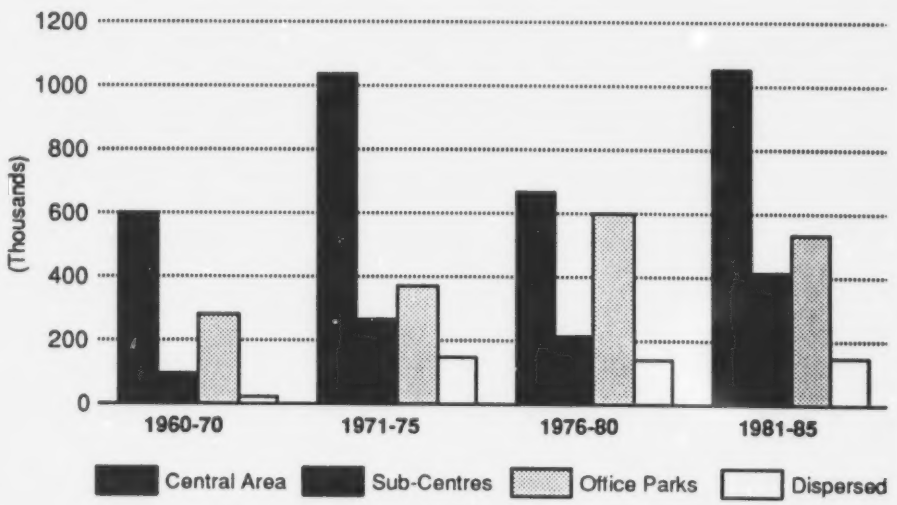
Source: Royal LePage Ltd.

At a regional level, transit-oriented locations accounted for 68% of total office growth between 1981 and 1985, compared with only 54% of total growth between 1976 and 1981. In suburban areas, auto-oriented locations accounted for 77% of the growth between 1976 and 1981, falling to a 62% share between 1981 and 1985. (Figures 10 and 11)

Is deconcentration working? The data clearly show that the share of office space constructed in the Central Area has fallen sharply over the past twenty years and that the majority of new space constructed since 1976 has been in suburban locations.

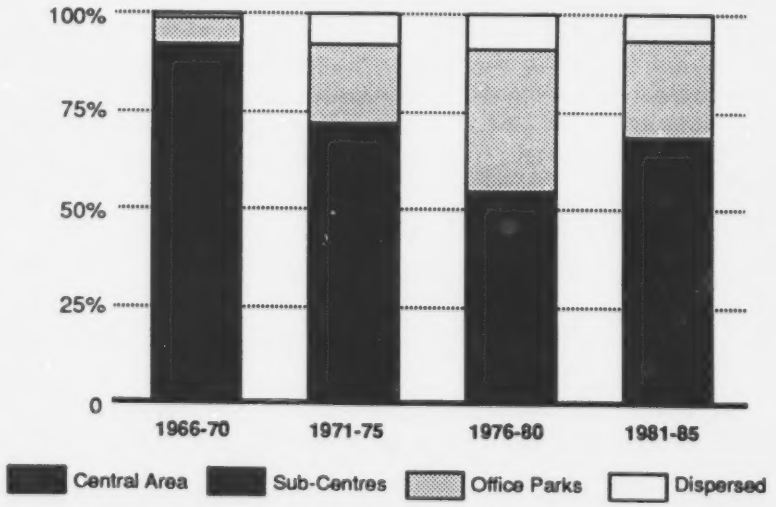
Roughly two-thirds of the suburban office space, however, is auto-oriented. Demand for space in suburban sub-centres served by transit is strengthening, but so is the demand for space in dispersed locations. Low vacancy rates, strong demand, and an abundant supply of new office space nearing completion in several sub-centre locations (notably North Yonge), suggest that transit-oriented sub-centres may continue to attract an increasing share of the suburban office market over time.

Figure 10
New Office Construction by Location
1966-1985



Source: Royal Lepage Ltd.

Figure 11
Share of New Office Construction by Location
1966-1985



Source: Royal Lepage Ltd.

From the City's perspective, office deconcentration has been occurring over the last ten years. A growing proportion of the regional office employment growth is taking place outside the Central Area. Momentum for continued growth in the suburban areas has been established and there is no reason to expect that trend to suddenly reverse itself.

From a Metropolitan viewpoint, it is clearly more difficult to establish on the basis of the available data whether deconcentration is being effectively achieved. At the Metropolitan scale deconcentration involves the establishment of a multicentred urban pattern based upon a primarily transit oriented transportation network. The data suggest, however, that rather than concentrating at subcentres, much growth in office development in the last ten years has been dispersed and automobile oriented. An evaluation of the success towards achieving the multicentred plan is a matter which must be undertaken by the body responsible for planning at that level. Metro Planning staff are currently in the process of a five year review of Metro Plan and it is anticipated that an assessment of this important objective, upon which the Plan is based, would be undertaken in that context.

4.5 The Future For Office Growth

The changes in the office sector in the past ten years illustrate the difficulty in making long-range projections about future growth. Factors such as part-time labour force growth, occupational restructuring, increasing fsw index, and the "smart" building phenonema all influence office space growth. They are also factors which are changing over time and require careful and continual monitoring.

At the same time, population and labour force changes affect travel patterns and the need for transportation improvements. While jobs have been decentralizing, they have not been decentralizing at the same rate as residents, resulting in ever increasing levels of cross boundary commuting and longer average work trips to the Central Core.

The population of the Region is continuing to spread outwards, with some 97% of the Region's future population growth projected to occur in the fringe areas outside Metro which are not easily served by rapid transit. These macro patterns of population and employment growth will influence, to a very large extent, the kind of transportation improvements that will be required in the future. They also serve to underline the need for a regional body to ensure that appropriate planning responses can be made when needed. The next Section of this report presents a full discussion of the transportation implications of the changes that have occurred within the office sector.

5 Transportation

The previous section discussed in some detail the relationship between the transportation and land use planning policies of the Central Area Plan. The application of these policies has, over the past ten years, enabled major transportation investments to be directed to the planned Metropolitan sub-centres. At the same time, it is clear that the land use provisions of the Central Area Plan have been relaxed over time to permit increased development and there is now an imbalance between long-term development potential and the existing transportation capacity. As a consequence, limited road as well as transit improvements will be required at some point in the future to adequately serve Central Area development.

No such improvements have been made over the first ten years of the Central Area Plan and no major future improvements will be in place much before 1991 at the earliest. With the exception of incremental improvements to GO-transit, the City's Official Plan policies will have been successful in postponing the need for major Central Area oriented transportation facilities for more than fifteen years. Also, during the 1976-86 period, the rate of office development has been below the trigger figures prescribed by the Plan and the 1991 limit will also likely not be breached. These results can be considered a major accomplishment of the Plan.

It is also clear, however, that Section 7 of the Plan will require amendment in order that the long-term balance between Central Area development and transportation capacities is maintained.

This section of the report looks generally at the need to amend Section 7 **Transportation.** The history of transportation planning initiatives undertaken since the adoption of the Central Area Plan is reviewed in order to understand how the current framework for transportation improvements evolved. This section also discusses the future direction for transportation planning in the City.

5.1 Transportation Planning Initiatives 1976 - 1986

5.1.1 The 1976-82 Period

Included in the Central Area Plan policies for transportation is the goal that the future transportation network in the Metropolitan area should be primarily transit oriented (Section 7.3). Accordingly, the Plan reflected the position that no new road improvements into the Central Area and particularly expressways, should be approved. It also articulated the objective that, in the short term, major transit improvements to the Central Area should be discouraged and investments in transit during that period should be directed to the subcentres. The Central Area Plan, including the Section 7 statements, was given final approval in 1979. Subsequent planning reports, originating in 1976, further expanded the basic policies put forward in Section 7 and led to the adoption in 1981 of Official Plan Amendment 170 (see Appendix 2).

However, as outlined in Background Paper No. 8, a number of events intervened, including the approval of Metroplan, and by 1983 the amendment still had not been processed through the Minister. In a September 1983 status report, the Commissioner of Planning and Development advised that in light of certain trends it would be advisable to defer further processing of Official Plan Amendment No. 170 until City Council had dealt with the planning proposals flowing from the "Railway Lands Development Concept" (Sept. 1983) and Metro's "Central Waterfront Transportation Study" (June 1983). The Status report noted that continued revision of the land use

component of the Central Area Plan had resulted in a long-term imbalance between transportation capacity and development capacity and that "... in the long term, increases in the capacity of both the transit and road systems will be required to accommodate currently permitted development levels in the Central Area".

Since the 1983 Status report there have been no further steps taken to gain final Provincial approval of Official Plan Amendment No. 170.

Changing circumstances and trends also gave rise to transportation planning initiatives at the Metropolitan level. In the period between 1979-1981, the T.T.C. experienced a dramatic 13% increase in system-wide ridership. In 1981 peak-point ridership on the Yonge subway line just south of Bloor Street reached the maximum recorded to date (38,800 southbound passengers per hour). This reversal in ridership trends led TTC and Metro staff to revise their planning policies and in 1981 Metro Council approved the "Accelerated Rapid Transit Study" (ARTS). The main purpose of the ARTS study was to assess the possible need for new rapid transit lines in Metro. This study became the forerunner of the present-day "Network 2011" study.

5.1.2 The 1982-1986 Period

The results of the Metro/TTC ARTS study were released in May, 1982, and a year later Metro Council authorized the study of three new rapid transit lines, namely the Sheppard, Downtown Relief and Eglinton Avenue lines. In October, 1982, the Province announced the GO-ALRT study program to look at the future of fixed rail inter-regional transit and in December, 1982, the TTC produced its first Long Range Plan which gave immediate priority to the Downtown Relief Line. Also, following on from the Harbourfront Part II Plan, Metro/TTC staff in 1982 initiated work on the "Central Waterfront Transportation Study" (CWTS) and in late 1982 City planning staff produced a first report on possible changes to the Gardiner Expressway/Lake Shore Boulevard ramp system in the Central Waterfront area. During 1982, City planning staff also became heavily involved in developing proposals for a Part II Plan for the Railway Lands.
In June 1983, Metro/TTC staff published the CWTS report. This report analyzed the long-term transportation requirements to serve the future growth of the Financial District, Railway Lands and Harbourfront area. It was estimated that this total area could accommodate up to a 95,000 increase in employment, with 60% of this increase occurring south of Front Street. Metro/TTC staff concluded that the following transportation proposals should be given priority approval or consideration:

a) Front Street Extension (Bathurst to Strachan Avenue);
b) Widening of the Gardiner Expressway (by one lane in each direction between Strachan and the Humber River);
c) Implementation of the Harbourfront LRT; and
d) Possible development of a Waterfront ICTS line (if subsequent studies confirmed the need).

An extensive list of other "desirable" elements was also identified. However, the total cost of this list of long and short-term transportation improvements was extremely high, exceeding $700 million. Metro deferred any decisions on the CWTS proposals for over a year pending the receipt of further studies.

City planning staff responded to the CWTS proposals both directly and indirectly through a series of three inter-related reports released in September/October 1983:

a) The Railway Lands Development Concept (Sept. 1983);
b) Status Report on Amendments to Section 7 "Transportation" of the City of Toronto's Official Plan (Sept. 1983); and
c) Response to the Metro/TTC "Central Waterfront Transportation Study" (Oct. 1983, joint report with the Commissioner of Public Works).

The Section 7 Status Report has already been discussed and is the report which pointed out the emerging long-term imbalance between transportation capacity and development potential in the Central Area. Recognizing this imbalance, City planning staff had been developing a comprehensive, computer-based transportation/land use model to re-evaluate the long-term transportation requirements of the Central Area. This model formed a common basis of analysis from which the conclusions of the reports on the Railway Lands Concept and CWTS Response were drawn and will be discussed later in more detail.

As these reports pointed out, the need for improved transportation services cannot be solely attached to any one particular development proposal, such as the Railway Lands but, instead, have to be evaluated within the context of the Central Area as a whole. It was primarily on this basis that it was argued at the time that consideration of Official Plan policy changes regarding transportation should be deferred until after the 1986 Quinquennial Review, when a more comprehensive evaluation of Central Area planning policies could be undertaken.

As a result of Council's actions at the end of 1983, in response to the recommendations of the CWTS Response and Railway Lands Concept reports, the City gave support to the concepts of:

a) The Front Street Extension;
b) The widening of the Gardiner Expressway;
c) The Spadina LRT;
d) Dufferin Street jog elimination and extension;
e) Ramp changes in the central section of Gardiner/Lake Shore Corridor;
f) The re-building of widened Spadina Avenue bridge; and
g) The incremental expansion of GO-transit rail services and surface transit improvements.

Support for certain of these concepts, such as the Dufferin Street proposals, was conditional upon the development of acceptable designs.

City Council also re-affirmed its opposition to any new expressway additions being built into the Central Area and expressed an interest in studying measures to mitigate the current barrier effect of the elevated sections of the Gardiner Expressway, which runs through the Central Waterfront area. Later, in October 1985, City Council approved the establishment of a Task Force on the Gardiner/Lake Shore Corridor, and studies of the barrier effects are currently underway.

From the basis of the studies and decisions made in 1983, transportation planning in the City has since principally evolved around two main issues: the Railway Lands (including the Dome Stadium) and the "Network 2011" proposals for future rapid transit lines. Each of these are briefly reviewed below.

5.1.3 The Railway Lands

With respect to transportation matters, the Part II Plan proposals dealt mainly with local road and transit issues. Approval of the Plan was not made conditional upon any regional transportation improvements since, as discussed earlier, it was felt that such facilities would be required in any event to serve the growth of the Central Area in general. The Plan proposed that the Railway Lands would be developed incrementally on a precinct by precinct basis and, through this controlled development process, the balance between land use and transportation would be maintained.

The Part II proposals stated that the Dome Stadium would be designed as a multi-purpose urban facility that will be "... fundamentally transit- and pedestrian-oriented" and, consequently, a deliberate policy of limiting on-site parking for the Dome was adopted. The local roads plan provided for at-grade intersections of streets in the Railway Lands and introduced new north-south streets, including the Portland and Simcoe Street extensions, across the rail corridor in an effort to better link the City to its Waterfront. These initiatives were also complemented by the work being undertaken for the City's Ramp Study which, at this stage, had just begun its second phase of analysis. The Part II proposals required the re-building of the Spadina bridge and supported the Harbourfront LRT proposal and the introduction of a Spadina streetcar system.

After a period of review and modification, the Part II proposals for the Railway Lands were finally adopted by City Council in October, 1985. However, before these Plans came before the Ontario Municipal Board a number of significant modifications had been made:

a) All of the Railway Lands, even those beyond the Central Core, were to be included in future Quinquennial Reviews;
b) City and Metro staffs agreed to develop an annual joint monitoring process of land use/transportation relationships in the Central Area, including the Railway Lands; and
c) The new Spadina bridge was to be re-built before the Stadium opens and adequate provision for bus and bicycle parking on the Stadium site is to be ensured.

5.1.4 The "Network 2011" Report

In May, 1985, Metro/TTC staffs published the "Network 2011" report which, in response to Metro Council's earlier request for studies of the Sheppard, Relief and Eglinton lines, outlined a 30-year rapid transit plan for the Metropolitan Toronto area. Also, and significantly, the Network 2011 report recognized the difficulties of predicting long-term travel demands and recommended that a five-year review process for evaluating Metro's rapid transit plans should be established. This report also included the relevant findings of the GO-ALRT study program which, after its effective conclusion in late 1984, saw a large part of the program's staff and resources transferred to the studies of the Sheppard/Finch and Eglinton transit corridors. The Network 2011 report was distributed widely for comment before Metro/TTC staff produced a Final Report in June, 1986.

Also in May, 1985, Metro Council authorized environmental and feasibility studies of the Front Street Extension proposal and a feasibility study of the proposed Gardiner Expressway widening. These consultant studies are now currently underway. Also, in June 1985 Metro Council authorized a consultant study of the proposed Leslie Street Extension and Lower Bayview Avenue widening and this, too, is now underway.

The City's Commissioners of Planning and Development and Public Works responded to the Network 2011 proposals in a joint report written in April, 1986. The basic conclusion of the City's response was to accept the Relief Line as a second priority option as recommended in the Network 2011 Report. The acceptance of second priority was based upon a number of considerations, the most important of which related to a continued commitment to the incremental improvement of GO Rail services to Union Station, including fare and service integration with the TTC. It was also recommended that support be given to the interim transit improvements identified in Network 2011 (such as the Spadina/Harbourfront LRT lines, the Sherbourne Express bus and the Yonge/Bloor station improvements) and other options (such as the Bay Street line and surface transit improvements in the Don Valley Corridor) should also be kept under consideration. Other important considerations in supporting the deferral of the decision on the Relief Line related to uncertainties regarding the future rate of Central Area office employment growth and the continued need to support the policy of deconcentration by making suburban transit investments the first priority.

The Metro/TTC Final Report on Network 2011 was released in June, 1986, and restated the earlier conclusion that the first phase of the Sheppard Avenue subway line, from the Yonge subway eastwards to Victoria Park Avenue, should be given first priority for construction between 1989-94. It also re-confirmed the Relief Line proposal as a second priority option, along with the Eglinton line, to be reviewed in 1992 and subsequent five-year periods. The report acknowledged the increasing importance of GO Rail transit in serving the future growth of Central Area and the desirability of introducing fare and service integration between GO and the TTC. The current uncertainties in predicting office employment growth in the Downtown area and the possibility of interim relief measures, including expanded GO services, which would defer the need for the Downtown Relief Line beyond the initial estimates were also noted.

Metro Council gave consideration to the recommendations of the Final Report on Network 2011 on June 24, 1986 and, in large part, adopted the Metro/TTC staff recommendations. Basically, Metro Council approved as first priority the construction of the first phase of the Sheppard Avenue subway and directed that the Metropolitan Official Plan be amended to include both the Sheppard and Eglinton lines as future major rapid transit proposals. Further, the TTC, in co-operation with Metro and City staff, were requested "... to monitor employment growth and transit usage in the Central Area and recommend implementation of appropriate surface transit improvements and subway operational and station improvements to relieve crowding on the Yonge and University subway lines, as required".

The discussion of the Network 2011 proposals also brought to light increasing concerns regarding the need to improve inter-regional transit services and provide better cross-boundary access. As a result, Metro Council included in its actions a recommendation to establish an Advisory Transportation Planning Committee to discuss transportation planning in the Greater Toronto Area (GTA) and to give priority attention to service and fare integration between Peel Region and Metropolitan Toronto.

In July 1986, the Provincial Government established the Regional Transportation Planning Forum to provide a consultation process to address transportation planning issues in the G.T.A.. Since that time, the Forum has met regularly every two weeks to develop a short-term transportation investment program which recognizes aspects of affordability and the potentially conflicting needs of the individual municipalities within the G.T.A. The overall objective is to relate final recommendations on major transportation investments to a regional planning perspective.

To some extent, these initiatives of Metro and the Province to stimulate the debate of major transportation proposals at a regional level, represent attempts to fill the present lack of an effective regional planning framework. However, in the absence of an agreed upon or approved regional land use plan for the G.T.A., transportation infrastructure decisions will continue to be largely made on a demand-reactive basis, reflecting individual local needs rather than pursuing a coherent regional planning strategy.

5.2 Current Transportation Proposals

As a result of planning initiatives taken since 1982, there are now a number of major Central Area transportation proposals that have been approved, with varying degrees of commitment, for further detailed study. In considering only the major items, the list of such proposals can briefly be described as follows:

5.2.1 Current Road Proposals

The Front Street Extension and Gardiner Interchange ($62 m.)

Metro has retained the consultant firm of M. M. Dillon to conduct feasibility and environmental studies of this facility and, currently, six possible alignments for the extension are being evaluated. If approved, this facility will require an amendment to the Metropolitan Toronto Official Plan. The City of Toronto has endorsed the concept of the Front Street Extension, subject to design approval.

The Widening of the Gardiner Expressway ($38 m.)

Metro has retained the consultant firm of DelCan to conduct a feasibility study of the proposed widening between approximately Strachan Avenue and the Humber River, and no specific details of the various options by which to achieve this are yet available. If the widening can be achieved within the existing right-of-way of the Gardiner Expressway, as initially thought, then there may be no need to amend the Metropolitan Official Plan. Again, the City of Toronto has endorsed this concept subject to design approval. The widening proposal may provide the opportunity for the City to achieve other non-transportation benefits in the Gardiner corridor, particularly in the South Parkdale area where it may prove possible to rationalize the street system, improve pedestrian connections to the waterfront and free-up land for parks or other uses.

Don Valley Corridor Improvements/Leslie Street Extension

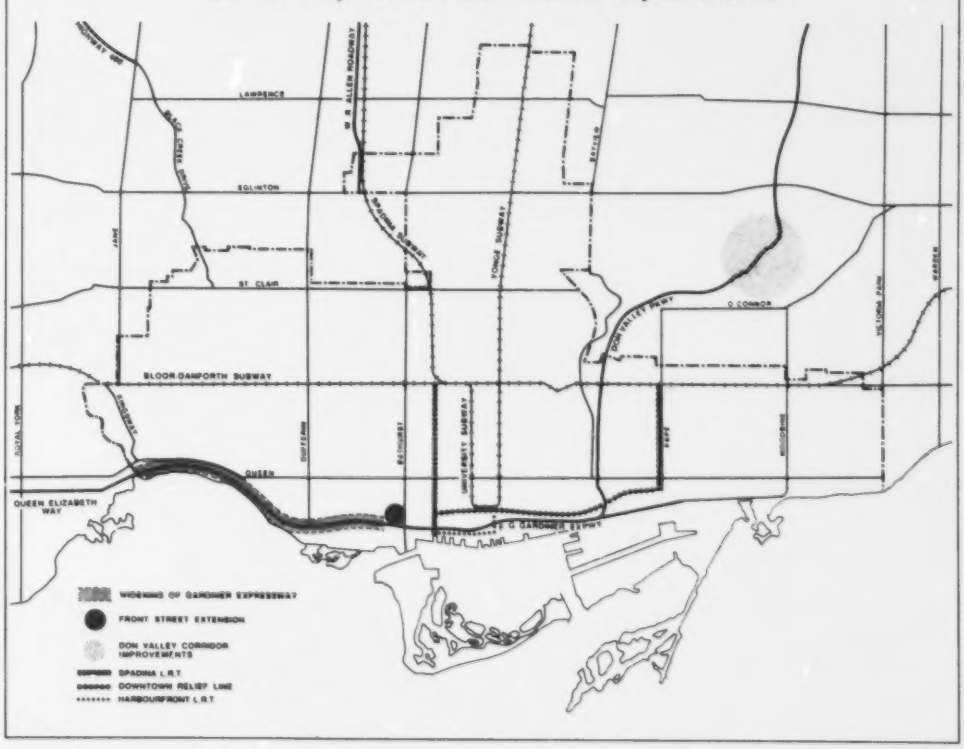
As a result of the Metro/TTC "Don Valley Corridor Transportation Study" (1983), Metro decided, among other things, to retain the consultant firm of McCormick-Rankin to conduct feasibility and environmental studies of the Leslie Street Extension and Lower Bayview Avenue Widening. Two basic alignments for the Leslie Street Extension are being studied and the consultant has just produced a preliminary environmental assessment report detailing the impacts of the alternatives. If approved, the Leslie Street Extension will require an amendment to the Metropolitan Official Plan. The estimated cost of the Leslie Street Extension is $62.4 m., exclusive of property costs.

In June, 1984, the City of Toronto Council decided to oppose the Leslie Street Extension proposal and recommended that Metro not pursue the study of this option. In May, 1985, the City of Toronto retained the consultant firm of Project Planning to monitor the progress of the Metro study,

evaluate its conclusions and develop alternative solutions to that presented by the Leslie Street Extension option.

The three areas of major road improvements discussed above are illustrated, in general terms, on Map 5. The Front Street and Gardiner Widening proposals are usually considered as a pair, in the sense that they should both be completed at the same time. However, if, for whatever reason, these projects had to be phased, there may be advantages to proceeding with the Front Street Extension first as this facility would provide improved local access to the Dome Stadium and the west end of the Railway Lands, and also enable possible changes to be made to the Gardiner/Lake Shore ramp system between Bathurst and Jarvis Streets. The resolution of the alignment of the Front Street Extension will also assist in the future planning of the Massey-Ferguson lands and the associated neighbourhoods.

MAP 5
Current Proposed Road and Transit Improvements



5.2.2 Current Transit Proposals

Harbourfront LRT Line ($45 m.)

This facility has recently been approved and Metro is currently in the process of amending its Official Plan to accommodate the line. The City of Toronto has requested that consideration be given to extending the underground section of the line further south, all the way under Bay Street and just around the corner to surface on Queens Quay, in order to avoid the difficult Bay Street/Queens Quay intersection.

Spadina LRT Line ($45 m.)

Metro/TTC staffs are currently revising their designs for this line in response to public reaction to an earlier proposal brought forward for discussion in September/October, 1986. Consequently,the Spadina LRT remains at the concept stage and has yet to receive any final approvals from either Metro or the City.

Downtown Relief Line ($565 m.)

This proposed TTC rapid transit line has been endorsed by Metro and City Councils as a possible future transit option as identified in the "Network 2011" planning strategy. As such, the need for and priority of this line will be reviewed in 1992, along with other possible options, and such reviews will be conducted at subsequent five-year intervals as appropriate. However, unlike the Sheppard and Eglinton Avenue rapid transit line proposals, the Metropolitan Official Plan is not currently being amended to indicate on it the Relief Line as a future rapid transit proposal.

Incremental Expansion of GO Rail Services

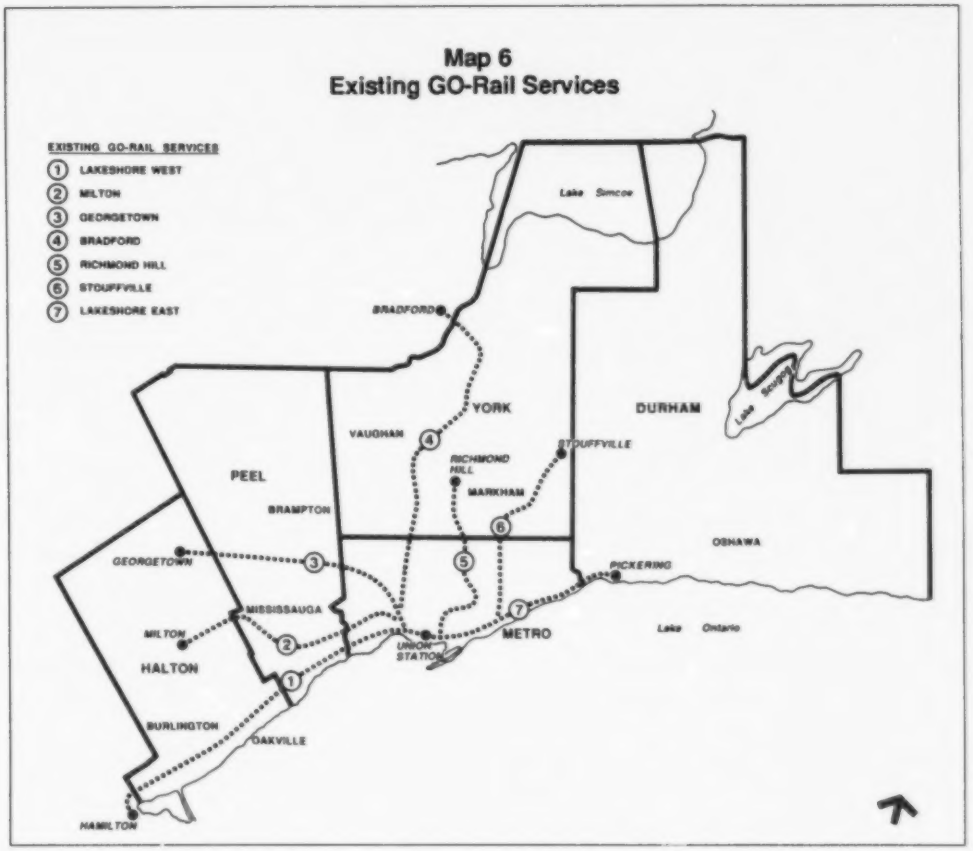
Following the conclusion of the GO-ALRT Program, the Province has reconfirmed its commitment, over the medium-term, to the upgrading of the present commuter GO Rail system based on diesel trains and the shared use of existing CN/CP rail corridors. Since its inception, GO Rail Service to Union Station has been incrementally expanded by the Province as increases in demand have warranted. Currently, there are plans to increase service on the Lake Shore West and Milton lines. The Richmond Hill line is also being considered as a candidate route for future service expansion at a cost of up to $175 million. As a Provincial agency, GO Transit's plans do not require the approval of Metro or the City.

GO/TTC Fare and Service Integration

Following the recommendations of the GO-ALRT and Network 2011 study programs, considerable support, including that of City and Metro Councils, has been given to the idea of better integrating the service and fare structures of the GO and TTC transit systems. The basic aim is to encourage higher overall transit use by making it more convenient and cheaper to combine TTC and GO Transit trips. However, fare and service integration will likely require higher transit operating subsidies and, given the current differences in TTC and GO Transit funding arrangements, there are financial and operating policy issues which have first to be resolved. At present, there are no estimates of the levels of increased government subsidies required.

The Harbourfront LRT line, the proposed Spadina LRT line and the Downtown Relief line are shown on Map 5. Map 6 illustrates the existing network of GO Rail services. The cost estimates of these major road and transit improvements are only in rough figures, but it can be seen that they total to the hundreds of millions, though they would not all be undertaken at once and some are only identified as options at this stage.

Map 6
Existing GO-Rail Services



5.2.3 Other Local Transportation Improvements

There are, in addition to the major regional proposals, a number of more localized transportation improvements within the Central Area which are under study, the most notable of which are:

1) The proposed changes to the Gardiner/Lake Shore ramp system between Bathurst and Jarvis Streets;

2) The new local road system for the Railway Lands, including the rebuilding and widening of the Spadina Avenue bridge;

3) The Dufferin Street jog elimination and extension;

4) Changes to the local road system associated with the Massey-Ferguson development, including the grade separation of the Strachan Avenue railway crossing;

5) The TTC's $12 m. proposal to improve passenger safety and comfort at the Bloor/Yonge subway interchange;

6) The applicability of freeway management techniques to the operation of the central, downtown section of the Gardiner/Lake Shore corridor;

7) The work of the Gardiner Expressway Task Force in seeking to reduce the barrier effects of the Gardiner/Lake Shore corridor; and

8) Improvements to Union Station.

The opportunities provided by these local transportation improvements to achieve other non-traffic related benefits, such as enhanced pedestrian facilities, the reduction of certain barrier effects and better street layout, are discussed later.

5.2.4 The Total Package of Improvements

During the course of the recent Ontario Municipal Board Hearing on the Railway Lands, the transportation improvements listed above were presented as a package of proposals and options which, if implemented, could accommodate the highest estimates of Central Area employment growth over at least the next twenty years. In its December 3rd, 1986 decision the Board noted that:

> "... the Board has concluded from the evidence that the process used by Metro and the City for the provision of roadway and transit improvements is generally appropriate for the future transportation needs of the Railway Lands. The Board accepts the evidence that the framework for future transportation improvements exists in the CWTS and Network 2011 reports, and that the situation is too fluid and complicated to be dealt with by a rigid schedule of specific construction projects over the next twenty to twenty-five years. Instead, it is appropriate to deal with the development of the Railway Lands along with other developments in the downtown area by means of the kinds of reviews and monitoring programs set out in the various documents in which the City, Metro and TTC and others can participate in the considerations leading up to the decision to construct the facilities as needed."

As for any lists of future requirements for major public investments, so these will, over time, be subject to review and modification. Depending on the actual rate of employment growth experienced, not all of these proposals may prove necessary in the next twenty years and some may be replaced by other transportation options of equal capacity. As will be discussed more fully later, a further complication arises from the fact that the rate of Central Area employment growth may itself be influenced by the staging or timing of major transportation improvements and the two elements of land use and transportation cannot be looked at independently in this context. In the broadest sense, the transportation improvements listed above provide an indication of the likely level of infrastructure investment required to maintain a long-term balance between transportation capacity and development capacity in the Central Area based on current knowledge and assumptions.

5.3 The Current Method of Transportation Analysis

Conclusions regarding future long-term Central Area transportation requirements discussed above are largely based on a comprehensive, computer-modelling exercise undertaken by Planning and Development Department staff as part of the research for three inter-related planning reports produced in later 1983 regarding the Railway Lands Development Concept, the Official Plan transportation amendments and the City's response to the "CWTS" Study.

This modelling approach looked at the entire Central Area and identified sufficient office development potential to accommodate an estimated employment increase of 120,000. At the time, such an increase was estimated to represent at least twenty year's growth for the Central Area, even with the full approval of the Railway Lands development proposal. The estimated timing of the need for certain transportation improvements, as presented in the Railway Lands Concept report was based on the assumption of a future average absorption rate of 165,000 square metres of office space being built and occupied each year in the Central Area. More recent analysis conducted in relation to the Network 2011 exercise has shown that the use of such simple linear projections may be questionable. This matter is discussed further in Section 5.5.1.

The computer-based analysis was applied to the whole Central Area employment base, meaning both existing and future growth, and including consideration of changes in non-office work trips. This methodology differs from the kind of marginal analysis which in the past has sometimes been applied to assess the transportation impacts of new office proposals. In this latter kind of analysis, the impacts on the peak-hour transportation system are estimated on the basis of a known amount of additional floor area. These impacts are then added to the existing traffic conditions to assess the future situation. This type of marginal analysis, however, can misrepresent the traffic impacts of new development. A number of key variables such as the FSW ratio, peak-hour factor, vacancy rate, modal split and trip distribution, relate to average figures, and the effects of any changes or trends in these variables on trip generation rates have to be applied to the existing base of office activity as well as just the future or marginal increase in office development. In this context, a variable that became singled-out as being of particular significance was that of the assumed trend in the modal split of Central Area office workers.

5.3.1 The Modal Split Issue

In the original Parkinson analysis the assumption was made, on the basis of the policy of no road improvements, that all future increases in peak-hour commuting would be by transit. That is to say, at the margin, the modal split was assumed to be 100% towards transit. In the 1983 analysis, it was apparent that, with the levels of development permitted under the existing planning provisions, it was no longer reasonable to assume that there would be no future increases in the level of peak-hour automobile commuting into the Central Area. In fact, as described earlier, cordon count data for 1975-85 period show that the 100% transit assumption never has really applied. Consequently, the 1983 analysis recognized that there would be increases in peak-hour auto commuting but, on the evidence of certain past trends and projections, it was assumed that in relative terms the auto would continue to experience a diminishing role in total peak-hour travel.

The key modal split assumption made in the 1983 analysis was that, overall, the share of peak-hour office commuters travelling by auto to the Central Core would decrease from the estimated 1983 level of 21% to a future long-run level of 16%. On the basis of the 120,000 employment increase

forecast, this 25% decrease in the relative use of the auto resulted in a total projected increase of 3,800 peak-hour, office, auto trips. Without such a decrease (i.e. if the 21% is maintained) the resulting figure would have been 13,200 additional auto trips. Obviously, there could be serious consequences if the assumed modal shift is not achieved and all the other factors in the traffic projection model prove correct. City planning staff, in a response to a request from City Council, reported quite extensively on the modal split issue in July, 1985, and this lead to the commissioning of a consultant study on the use of parking controls as a means by which to achieve a target modal split. This study is currently underway.

The 1985 cordon data are now available for the Central Area and, as brought out at the Railway Lands Hearing, the 1981-5 trend actually shows a slight increase in the modal split towards auto use during the peak-hour. However, it should be pointed out that this relative increase in auto use has occurred over a period when total peak-hour trips into the Central Area have marginally declined. In particular, subway ridership has decreased from its 1981 peak level, but auto and auto passenger trips, although increasing modestly over 1981-5, have not yet recovered to their peak levels of 1979. Also, as evident from earlier sections of this report, the modal split factor is not the only variable that can critically impact on future travel projections. Others, such as the employment projections, the employment mix, the peak-hour factor and the absenteeism rate, can be of considerable significance too.

The modal split issue is being studied and is an important element in the present Central Area monitoring process. Also, trends in auto ownership will be studied. The joint Metro/City "Central Area Monitoring Program" (CAMP) is expected to be reporting shortly on, among other things, the findings of a recent survey on the modal split of arrivals at a selected sample of Downtown office buildings. Such surveys will, in the future, be conducted on an annual basis to enrich the more general cordon count data which is collected every two years.

5.4 The Need to Amend the Transportation Section 7 of the Official Plan and The Timing of Transportation Improvements

As discussed above, the need to reconsider the appropriateness of continuing to pursue Official Plan Amendment No. 170 and to review the existing Official Plan Section 7 has been identified. When looking at the Central Area as a whole, there can be little doubt that at some future point additional road and transit capacity will be required to adequately serve the permitted level of development potential. In particular, the Front Street Extension and Gardiner Expressway widening proposals, which are currently considered as high priority regional road improvements, will require the amendment of Section 7.2(b) of the Official Plan.

It is not proposed that specific amendments to Section 7 of the Official Plan be brought forward for Council's consideration at this time. It is considered more appropriate to await the outcome of the various studies in progress regarding the design and feasibility of the numerous transportation options being looked at for the Central Area. Also, the City is currently engaged in a series of studies on Downtown employment growth prospects, the results of which may influence current planning attitudes towards the need, priority and timing of certain Central Area transportation improvements. In view of this situation, this report recommends that a continued and comprehensive review of Section 7 of the Official Plan take place over the forthcoming months with the aim of producing a final set of proposed amendments by the end of 1987.

It is the conclusion of this Quinquennial Review that the City's transportation policies should generally reflect an incremental approach to transportation planning which allows improvements to be made in stages as required while establishing a monitoring and review process to ensure that needed services are provided at the appropriate time.

From a regional perspective, the timing of major, Central Area transportation improvements is still important in relation to the policy of deconcentration. A major reversal of the City's current transportation policies could signal the return to a pattern of centralized growth and focus development pressures on the Central Area to the neglect of the suburban sub-centres. It remains important that the City and Metro's transportation policy decisions be generally directed to supporting and strenghtening the development of the growing sub-centres. This is not to say that the transportation needs of the Central Area should be ignored but, where possible, incremental improvements to the Downtown transportation system should be pursued and the maximum resources possible made available to improve access to the sub-centres and stimulate their growth.

Major transportation improvements, by increasing the relative attractiveness of the Central Area, could create demand-side effects that increase the rate of Downtown development. It is in this sense that land use and transportation decisions cannot be considered independently. To some degree, the provision of transportation services can effect the level and rate of development and this is why the timing of Central Area transportation improvements is of such significance to the policy of deconcentration.

5.5 Future Uncertainty

As the various Background Papers illustrate, the Greater Toronto Area has been undergoing considerable changes over the 1975-85 period with respect to such factors as the patterns of population and employment growth, the growth, distribution and utilization of office space and commuter travel. Some of these changes are directly impacting on future development trends and trip growth in the Central Area and are making it increasingly difficult to accurately forecast the need for and timing of future transportation improvements.

In this context, there appear to be five principle areas of uncertainty regarding the timing of Central Area transportation improvements:

1. The future rate of Central Area office employment growth;

2. The future relationship between increasing demands for office space and the growth in Central Area peak-hour work trips;

3. Rate of change in employment in the non-office sector in the Central Area and changes in non-work related activities;

4. The future impact of new housing in the Central Area, and

5. Regional population trends.

Although each of these areas is dealt with at length in the relevant Background Papers, they are briefly discussed here with particular reference to their implications for transportation planning

decisions in the Central Area. However, it should be noted that the analysis is based on several data sources which, in certain cases, cover different time periods and which can be of varying degrees of accuracy. For example, census journey to work data is only available for the years of 1971 and 1981, while reliable Metro annual employment counts only go back to 1981 and 1983 for full and part-time workers respectively. Also, there can be apparent discrepancies between different data sources that cannot always be reconciled.

5.5.1 The Future Rate of Central Area Office Employment Growth

The "Network 2011" studies have occasioned considerable comment over the wide range of recent employment projections that have been made for the Central Area. For relatively small-area projections, such as for the Central Area, the common approach in transportation planning is known as the "bottom-up" method, whereby employment growth estimates are derived from projections of commercial floor space development. There seems to be a tangible quality about employment forecasts based upon known development proposals that is understandbly appealing to forecasters.

However, bottom-up forecasts usually produce employment projections which, in the aggregate, exceed those derived from demographic and economic (i.e. top down) forecasts. Local estimates of development potential are usually exaggerated and tend, in total, to produce unachievable employment levels at the area-wide or regional scale. As such they represent, from a transportation planning point of view, a "worst case" scenario. There is evidence to suggest that such simple linear projections of high rates of Central Area employment growth, which are based on certain past assumptions concerning the relationships among floor space, employment and trip growth, no longer adequately reflect future conditions.

Previous sections of this report have already questioned the continued validity of some of the assumptions currently applied in this type of bottom-up forecasting procedure. From the top-down perspective, there are indications that the economy as a whole may be slowing down and that the 80's and 90's will not see the sustained levels of rapid growth experienced in earlier decades. Although the worst of the 1981-83 recession is over, the current economic recovery may not prove strong or lasting. For example, in a recent report commissioned by the Metro Economic Development Division entitled "Five-Year Forecast of Economic Conditions in Metropolitan Toronto" (April 7, 1986), a slowdown in the pace of economic growth across all sectors of the Metropolitan economy is forecast. The report states "1986 will be the crest of the most recent wave of strong economic growth which began in late 1982... indicators of economic performance lend support to the message of continued, albeit slower, growth".

Table 7 presents the Metropolitan Planning Development's employment counts for the 1981-85 period for the Financial District and the Central Area. These figures indicate that there has been little growth (1%) in full-time office employment in the Central Area during the 1981-85 period and in the Financial District there was actually a slight decrease over the same time period. Part-time employment figures, which are only available since 1983, indicate considerable growth in both the office and non office sector over the 1983-85 period. Approximately 45% of the total increase in all Central Area employment over the 1983-85 period has been in the part-time category. Furthermore, over half the total employment increase in this three year period has been in the non-office sector. Consequently, a large part of the recent employment recovery in the Central Area has been in part-time non-office activities.

Table 7
Employment in the Financial District and Central Area
1981-1985

	Financial District					Central Area				
Land Use	**1981**	**1982**	**1983**	**1984**	**1985**	**1981**	**1982**	**1983**	**1984**	**1985**
Office										
Full time	81,680	81,098	78,143	79,341	78,319	206,918	204,185	201,201	208,644	211,433
Part time	n/a	n/a	640	1,425	2,139	n/a	n/a	5,689	6,531	9,364
Total	**n/a**	**n/a**	**78,783**	**80,766**	**80,458**	**n/a**	**n/a**	**206,890**	**215,175**	**220,797**
Non Office										
Full time	10,690	11,089	8,950	10,775	10,726	128,821	115,579	115,058	120,889	121,926
Part time	n/a	n/a	2,982	3,528	3,599	n/a	n/a	19,865	25,743	28,817
Total	**n/a**	**n/a**	**11,932**	**14,303**	**14,325**	**n/a**	**n/a**	**134,923**	**146,632**	**150,743**
Total										
Full time	92,370	92,187	87,093	90,116	89,045	335,739	319,764	316,259	329,533	333,359
Part time	n/a	n/a	3,622	4,953	5,738	n/a	n/a	25,554	32,274	38,181
Grand Total	**n/a**	**n/a**	**90,715**	**95,069**	**94,783**	**n/a**	**n/a**	**341,813**	**361,807**	**371,540**

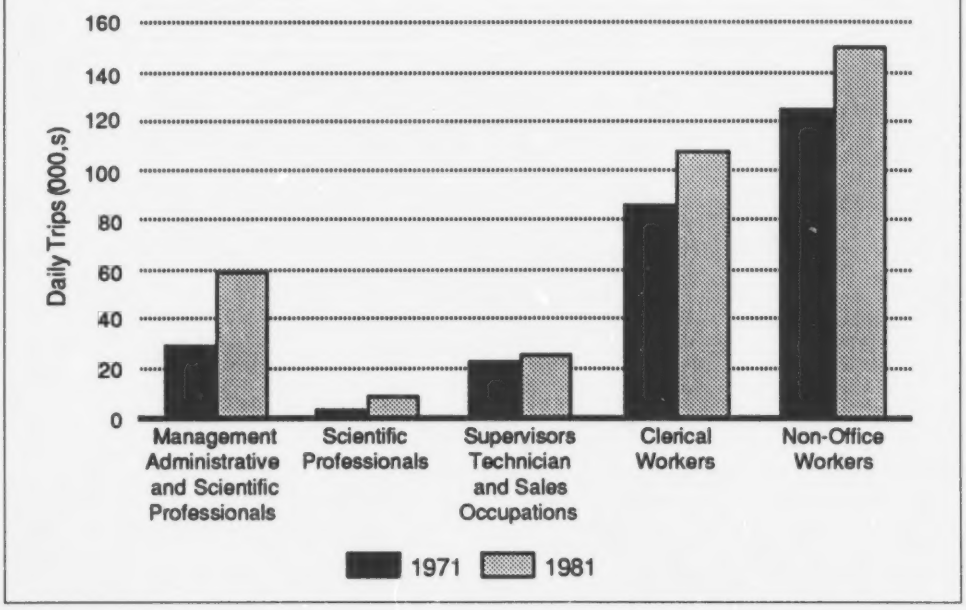
Source: Metro Planning Department, Employment Survey, 1981-1985

Note: n/a = not available. Part time data were first collected in 1983.

There appear to be certain structural and technological changes taking place in the economy that may lead to slower Central Area office employment growth. A sub-committee of the City's Economic Development Committee is currently conducting a series of consultant studies on downtown employment growth prospects, with particular emphasis on the impacts of technologcal changes on the office sector. Until these studies are complete, it is only possible to speculate on the nature of some of these trends. As noted in Background Paper No. 2 and in an earlier section of this report, there is evidence to suggest that technological changes are resulting in the downtown office labour force becoming increasingly specialized in the managerial and professional functions. For example, census journey to work data show that, over the 1971-81 period, trips to the Central Area in the management and non-scientific professional group have increased the fastest in both absolute and relative terms and at rates beyond the regional average. Figure 12, illustrates this pattern of change.

If Central Area office employment is becoming increasingly concentrated in the relatively small "executive" sector, the future rate of overall office employment growth might be expected to slow. As a corollary, it is expected that "back office" activities, such as routine clerical functions and data processing, which employ the majority of office workers, will increasingly locate in suburban centres where office space is cheaper. With future Central Area office employment growth increasingly occurring in the executive sector, the impacts on peak-period commuting might also be less than expected due to possible differences in travel characteristics. For example, high status office employees might be expected to work more irregular hours and spend more time away from the office or out-of-town than those involved in more routine office functions. However, such high status employees may have a greater propensity to commute by auto.

Figure 12
Central Area Work Trips by Type of Occupation
1971-1981



In conclusion, the 1981-85 period has seen little increase in total Central Area office employment and a large part of what gains there have been occurred in the part-time employment category. Future economic trends suggest that the employment growth rate may slow, particularly in the Central Area if such growth becomes increasingly focussed on the narrower base of executive office functions. Associated with these possible changes in the composition and rate of growth of Central Area office employment are impacts on future transportation demands that may lead to a slower rate of peak-period trip growth.

5.5.2 The Future Relationship Between Increases in Office Space and Peak-Hour Travel Demands

Earlier sections of this report have explained how trends in such factors as the FSW ratio, the vacancy rate and the "absenteeism" rate are leading to a re-evaluation of travel demand forecasts based on the conventional bottom-up (i.e. land use) method. It has also been pointed out how these changes have to be applied to existing as well as future development to fully appreciate their effects.

The net result of these current trends is to suggest that there may continue to be a relatively strong demand for new office space in the Central Area despite a slowdown in the rate of office employment growth. Such a situation could result primarily from the influence of two factors: continued increases in the FSW index and an increasing need for new office space in the form of "smart" buildings. An increasing proportion of "executive" employees and the need for larger work areas to accommodate new equipment as a result of office automation could contribute significantly

to an increase in the average FSW ratio in the Central Area. Apart from the impacts on the amounts of floor space required per worker, technological changes may also be creating requirements for a new type of office space in "smart" buildings (see Background Paper No. 2 for a discussion of the smart building phenomenon). In this context, new office buildings might be built as essentially replacement space for old buildings with little net impact on employment and commuting levels in the Central Area.

Also, recent increases in the office vacancy rate have led to attractive leasing offers that have caused some firms to acquire additional space ahead of demand. This trend may also have contributed to an increased FSW index in the Central Area. Also, if a trend towards the occupancy of new buildings at the expense of old ones is beginning to occur in response to the demands of technological change, a higher equilibrium vacancy rate might result from this restructuring of the office market.

To the extent that the factors described above prove true of the future, the relationships between office space development and employment and trip growth in the Central Area will be weakened.

5.5.3 Changes in the Non-Office Sector in the Central Area

Although most Central Area employment growth is expected to be in the office sector, past declines in certain other sectors, particularly manufacturing and warehousing, are expected to level out in the future. Consequently, future Central Area office employment gains are expected to be off-set to a lesser degree by reductions in other employment types.

Employment data for the 1981-85 period show modest increases in the service (3,800) and institutional (3,700) employment categories, with much of this increase in the Central Area being made up of part-time employees. Industrial employment in the Central Area has remained stable over the 1982-85 period with little change in the part-time component. Surprisingly, perhaps, retail employment in the Central Area has declined slightly over the 1981-85 period, with only a slight increase in the already relatively high level of part-time workers.

As the Central Area continues to grow as a cultural, recreational, educational, entertainment and institutional centre, it can be expected that employment levels in these sectors will continue to grow. In many cases, these employment increases may not, of themselves, be of particular significance, since many of these activities involve work trips outside the traditional peak-periods. However, these activities contribute to a fuller, 24-hours a day, use of the Central Area and may give rise to certain local traffic problems or off-peak problems such as loading. An emerging example of these types of problem can be found in the West Downtown where a number of facilities such as the Convention Centre, Roy Thompson Hall, Harbourfront, the theatres and restaurants, as well as the planned Dome Stadium and CBC developments, can potentially combine to produce off-peak traffic, parking and pedestrian problems.

The potential for this broadening set of Central Area uses means that not all future transportation planning attention should be directed solely to office development impacts but will require an increasingly comprehensive and integrated approach to address the complexities of the full-range of Downtown activities. For example, the Harbourfront LRT was approved in large part on the basis of providing better access to the recreational activities of the Waterfront.

5.5.4 The Impact of New Housing in the Central Area

Naturally, there is some uncertainty regarding future population and labour force trends in the City. Recent studies indicate that there could be a significant increase in the size of the labour force living in the Central Area that might reduce future increases in commuting from outside the Central Area.

Although the City's population fell by 114,000 between 1971 and 1981, increases in the labour force participation rate, particularly among women, and changes in the age structure of the population, meant that the City's labour force only declined by 7,500 over this period. Recent data indicate that the City's population is experiencing a modest increase as it recovers from the low point of 1981 and the Central Area, in particular, has been the principal contributor to this growth. The Central Area experienced strong residential growth over the 1976-85 period with some 17,630 new housing units being added. Future projections call for continued residential development in the Central Area which is now considered by Metro planners to be one of the few areas of population growth left in Metro.

The impacts of assuming a higher rate of Central Area population and labour force growth on future travel patterns are quite dramatic. This point is best illustrated by reference to the "Network 2011" Study, where the following comparison is made between projected peak-hour trip increases to and within the Central Area (1981-2011) on the basis of two different land use scenarios, the GO-ALRT 'A' and M1-85 scenarios. These scenarios are described in more detail in Background Paper No. 8. The GO-ALRT scenario projected a 30,000 increase in Central Area population between 1981-2011, while the more recent revised M1-85 forcast projects a 70,000 population increase over the same period.

Table 8
Comparison of Travel Demand Forecasts for the Central Area
(A.M. Peak-Hour Total Person Trips to the Central Area)

From	1981 Simulated	2011 GO-ALRT 'A"	2011 M1-85
Central Area	26,750	32,550	41,700
Rest of Metro	126,850	135,250	128,000
Outside Metro	21,150	45,850	43,800
Total Trips	**174,750**	**213,650**	**213,500**

The revised M1-85 figures result in a lowering of the forecasted increase in trips to the Central Area from the rest of Metro, while the number of trips from within the Central Area itself increased even further. Also, the majority of these new internal Central Area peak-hour work trips are expected to originate in the area south of College Street where most of the new residential development is forecast to occur. Such increases will, consequently, place little added demand on the critical loading points of the subway. There are clear transportation advantages associated with the policy of encouraging residential development in the Central Area.

In comparison to the GO-ALRT forecast, the M1-85 projections produce slightly less trip growth from the Regions outside Metro to the Central Area, with this modest decrease again being picked-up by increases within the Central Area itself.

Overall, the recent Metro projections of peak-hour trip growth into the Central Area over the next 25 years show major growth from the Regions (22,650) and within the Central Area (14,950), with little growth (1,150) in the remainder of Metro. However, as noted above, these forecasts are particularly sensitive to assumptions regarding the future rate of population and labour force growth in the Central Area. Clearly, these factors, along with patterns of residential development in the Central Area, need to be carefully monitored in the future and their effects on transportation needs assessed.

5.5.5 Regional Population Trends

As noted in Section 3.4 of this report, population and employment projections suggest a continuing imbalance in the regional pattern of population and employment distribution despite the success of increasing the Central Area housing supply. To a large extent employment increases in Metro, including the Central Area, will have to be met by the expanding population and labour force of the surrounding region and increases in cross-boundary commuting will inevitably result. Unlike the Central Area, Metro's labour force is expected to marginally decline after 1996 following the expected stabilization of the female labour force participation rate in the early 1990's and the general aging of the Metro population.

1975-85 Cordon data indicate that the total volume of inbound, peak-period person trips has increased by 92% at the Metro boundary, compared to an increases of only 10% and 20% at the Central Area and Downtown Cordons respectively. Census journey to work data for the 1971-81 period show similar trends with a more than doubling of the number of work trips to Metropolitan Toronto from the surrounding regions and an increase in the average length of work trips in Metro from 10.2 km to 11.8 km.

With little trip growth predicted to the Central Area from the rest of Metro and over 90% of future regional growth expected to occur beyond the Metro boundary, it is easy to see why GO transit is expected to play an increasingly important role in serving Downtown employment growth. Also, in terms of increasing the attractiveness of transit for inter-regional commuting trips, there appear to be considerable advantages to integrating the fare and service structures of the TTC and GO transit systems. For example, the existing separate fare systems limit the attractiveness of taking GO transit to the Central Area for those working beyond walking distance of Union Station.

However, as with the Central Area projections, population and labour force forecasts for the region are replete with assumptions ranging from birth rates, death rates, migration patterns, labour force participation rates to many economic matters over which planners have little or no control. Consequently, the long-range trajectories of these regional forecasts must also be carefully monitored and reviewed with the progress of time and adjustments made as necessary.

5.5.6 The Difficulties of Traffic Forecasting

When looking at the experience of the Central Area in general with respect to the relationship between office development and peak-hour trip growth betwen 1975-85, two distinct periods appear to emerge.

Between 1975 and 1981 the amount of office floor space in the Central Area increased by 22%. from 4.08 million square metres to 4.96 million square metres. This increase was in turn matched

by an 18% rise in peak-hour, inbound passenger trips into the Central Area which increased from 122,890 to 144,832 trips over the 1975-81 period. These figures reflect the traditional positive relationship assumed between floor space and trip growth.

However, in looking at the 1981-85 period the story is somewhat different. Over this period the amount of office floor space in the Central Area increased by 15% from 4.96 million square metres to 5.73 million square metres. However, peak-hour, inbound passenger trips over this period marginally declined by 3.5% from 144,832 to 140,124 trips. As noted above, full-time Central Area office employment showed little change over the 1981-85 period despite a 0.75 million square metres (8.0 million square feet) increase in office space. The 1981-85 period reveals little, if any, positive relationship between floor space growth and associated increases in employment and peak-hour trips.

The conventional explanation for the 1981-85 situation relates to such factors as the impact of the 1981-83 recession, an increase in the Central Area office vacancy rate, an increase in the FSW index and continuing employment losses in the non-office sector. It is argued that if the economy picks up again to the high growth levels of the 70's, then the 0.54 million square metres of currently vacant Central Area office space would quickly become occupied along with further new developments and the traditional relationship between floor space and trip growth restored.

However, this review has tried to suggest that the explanation may not be that simple and there may be economic, technological and social changes in progress that are altering the relationship between development levels and trip growth assumed in the past. Office development rates and associated employment increase are not a simple linear function of zoned capacity, but relate to a host of factors on both the supply and demand side, including the provision of transportation services.

5.6 Summary and Conclusions

The identification of possible future transportation capacity deficiencies has led to the development of a number of road and transit proposals, at both the local and regional scale, to accommodate future growth in the Central Area. These proposals, if implemented, will in certain cases require amendments to the City's and Metro's Official Plans.

The policy of deconcentration will be affected by the timing and priority of major transportation improvements and there is a need to achieve a future balance in the pattern of such infrastructure investments to ensure that continued support is given to the growth of the sub-centres while not ignoring the long-term transportation needs of the Central Area. In this context, the continued and controlled growth of Central Area development to levels that will eventually exceed those initially established by the medium-term horizons of the 1976 Central Area Plan is not seen as posing a threat to the policy of deconcentration or contradicting the Plan's original transportation planning policies which have now largely served their purpose.

The key factor determining the need for and timing of regional transportation improvements to the Central Area will be the rate of downtown employment growth and the impacts of such growth on peak-hour commuting levels. These impacts are, in turn, dependent upon the type of new workers locating in the Central Area and where they live. There is considerable uncertainty regarding future Central Area employment projections. A sub-committee of the City's Economic Development Committee is currently directing a number of consultant studies regarding Downtown employment

trends, with particular emphasis on the impacts of technological change in the office work force. In the absence of the results of these studies, it is difficult to draw definite conclusions at this stage, but there are indications of economic, social and structural changes that will impact on the composition and rate of growth of Downtown employment, which in turn will affect the need for and timing of transportation improvements.

Incremental improvements to the GO-train system serving Union Station, along with fare and service integration with the TTC, are seen as the current transit priorities for the Central Area. The Front Street Extension and Gardiner widening are seen as the priority road improvements needed to accommodate increasing levels of auto commuting from the most rapidly expanding areas of population growth to the west and north in Peel and York Regions.

Beyond these most immediate priorities, it is difficult to accurately predict the need for and timing of other Central Area transportation improvements. Primarily as a result of the CWTS and Network 2011 studies, a long-term framework of possible transportation improvements has been identified and the individual elements of this framework have been described above. However, certain elements are presented only as long-term options (such as the proposals for the Downtown Relief Line and the Leslie Street Extension) and may never prove to be needed or might be replaced by what are found in the future to be more appropriate alternatives. It would be misleading to attempt to define a rigid schedule for the implementation of a precise set of Central Area transportation improvements over the next twenty or so years. Instead, it is recommended that the greatest attention be given to the immediate transportation priorities and, beyond these, subsequent commitments to other elements of the overall framework should be based upon further reviews at later dates. This approach stresses the incremental development of the transportation system serving the Central Area and emphasizes the need for the continued monitoring of land use and transportation relationships in the Central Area, including shifts in the residential patterns of people working Downtown.

Among the important criteria to be monitored annually in the future will be the trends in modal split. The framework of transportation improvements described in this report is based upon the assumption of a continuing shift in the peak-hour modal split of Central Area office workers from auto to transit. Under this assumption, only relatively modest long-term improvements in the regional road network are required. Other important additional criteria to be monitored include: the impacts of Central Area residential development on commuting levels; the impact of part-time workers on travel demand; the changing composition of office employees and associated changes in their travel patterns, and the changing use of the existing office stock as new, technologically advanced buildings are developed.

It is recommended that the various studies in progress, particularly those relating to the Front Street and Gardiner widening proposals, should first be completed before proceeding to recommend specific amendments to the Transportation Section of the City's Official Plan. Such amendments will be brought forward by the end of 1987. By this time, the results of the City's Downtown employment studies will also be available. However, it should be made clear that it is not the intention of this forthcoming review process to reverse the general direction of the City's current transportation policies which promote deconcentration and the increased use of public transit, and discourage auto commuting to the Central Area. The aim is to modify these policies to ensure an adequate level of future service for the Central Area while maintaining a balanced investment pattern at the regional scale with respect to the transportation needs of the suburban sub-centres. The

timing of major Central Area transportation improvements remains a matter of some consequence to the policy of deconcentration.

Finally, it should be pointed out that there is, perhaps, a tendency to over-emphasize the question of the need for major regional transportation improvements resulting from the growth of Central Area office development and employment, at the expense of other local issues and improvements. There are currently many important local transportation improvements currently under study in the Central Area that offer considerable potential for improved local traffic and pedestrian conditions. Also, not all transportation problems are exclusively confined to those of peak-hour office commuters. As the uses and activities of the Central Area become increasingly diverse, so the range of traffic, parking and pedestrian problems increases. The challenge posed by the location of the Dome Stadium in the West Downtown "entertainment" section (which includes the Convention Centre, Roy Thompson Hall, Harbourfront and numerous restaurants and theatres) is an example of this type of broadening of Downtown transportation issues which increasingly call for comprehensive and integrated planning approaches to effectively address the complexities of the range of issues involved.

Many of the local transportation proposals provide the opportunity to achieve additional benefits which are not solely related to improved traffic conditions. Such benefits relate to the opportunities to provide enhanced pedestrian connections, to reduce perceived barrier effects and rationalize the local pattern of land uses and transportation facilities. For example, taken together, the proposals to change the Gardiner/Lake Shore ramp system, the strategy to develop the blocks and streets plan for the Railway Lands and the work of the Gardiner Expressway Task Force, provide a significant opportunity for the City to reduce the barrier effects that have for so long separated the Downtown from the Waterfront and to develop new, attractive gateways into the City.

Where possible every effort must be made to link local transportation improvements into a comprehensive package that is designed to maximize these other non-traffic related benefits. Of course, this effort should be equally applied to the major regional transportation improvements. Often the full realization of those other types of additional benefits involve costs over and above those purely required for transportation purposes and increasing consideration needs to be given to means of obtaining the extra funding that may sometimes be required to fully exploit the opportunities provided in these situations.

6 The Other Policy Areas: The Last Ten Years

6.1 Housing Growth and Investment

6.1.1 What Has Happened in the Last 10 Years

Many forces of change have influenced the housing market over the last ten years, from both the supply and the demand sides. Changes in total population, household size and number of households, as well as other demographic changes, such as an aging population, declining birth rate, and growing average income, have all contributed to major shifts in housing demand. On the supply side, rent controls, 'gentrification' (which results in deconversion), vastly fluctuating interest rates which are only now appearing to stabilize, and escalating land costs have significantly influenced the type of housing accommodation that is now available in the City. For many Torontonians, however, the current range of housing choices is increasingly limited because of escalating prices and rents, irrespective of the appropriateness of the physical stock.

This section of the report briefly examines the performance of the housing market in terms of the housing policies of the Plan, as well as the performance of the housing policies in responding to changing needs.

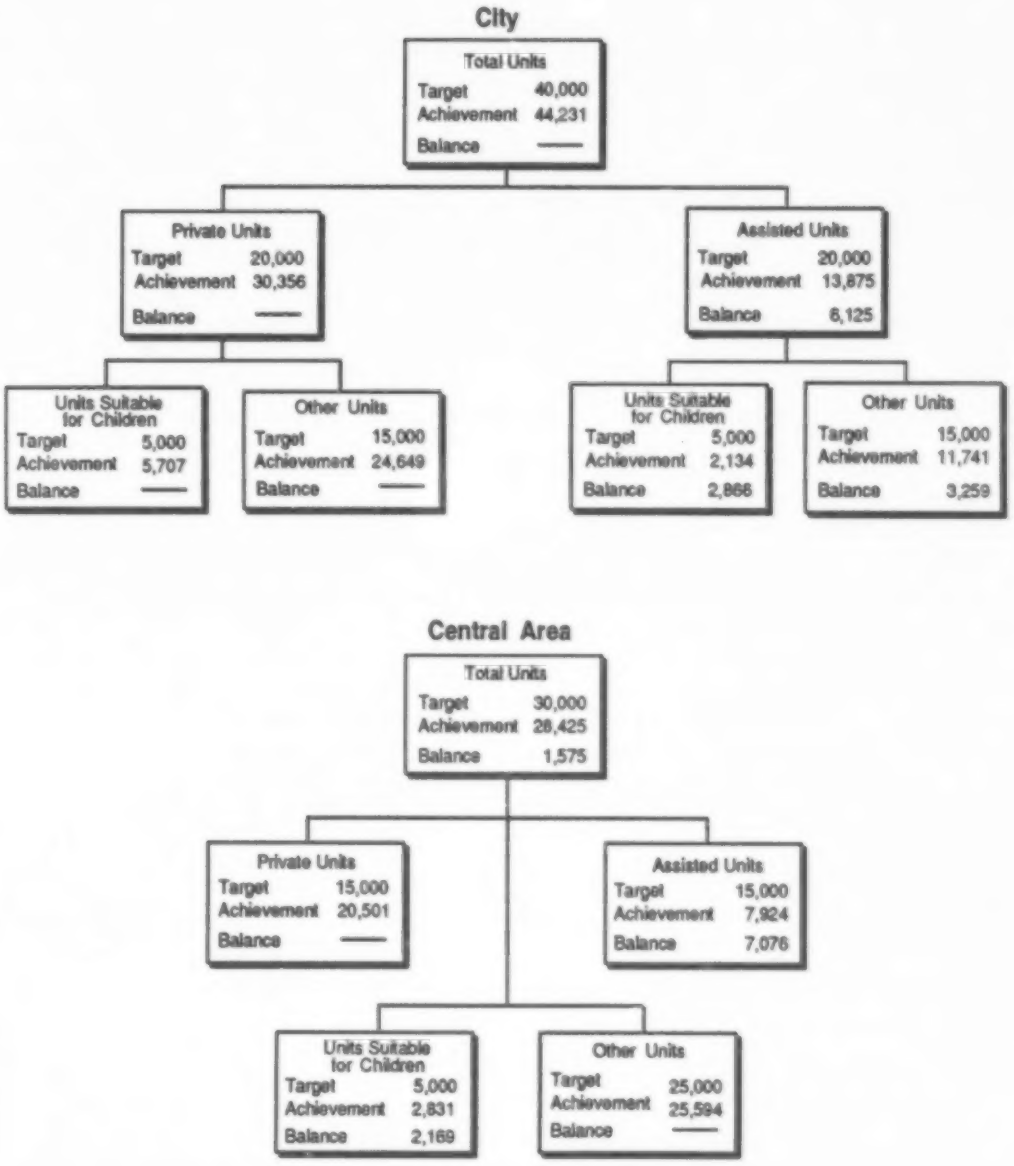
The Performance of the Market and the Plan's Objectives

A review of what has been accomplished in achieving the Plan's housing goals over the last ten years shows that there have been both major successes and disappointing failures. The goals of promoting new housing in the Central Area, and particularly the mixed-0use areas of the Central Core, and of preserving and upgrading the existing housing stock in residence areas have largely been met and experience suggests that market forces will continue to support these goals well into the future. By contrast, the goals of providing affordable housing to all residents and in particular to promote affordable housing for targetted income groups are, despite the substantial production of assisted housing, a long way from being realized. As discussed further in a later section, progress toward achieving the affordable housing goals is even more urgent today than it was ten years ago. If these policies are to have any relevance in the future, then the means to achieve the goals must be reassessed in light of the past experience.

As discussed earlier, the Official Plan sets out targets for approval of new housing in the City and the Central Area. These targets covered the period from 1976 to year end 1985. New targets now have to be developed, and have been proposed by the Housing Policy Review Committee, established by City Council in 1985. Their report, recently published, will be discussed further below.

"Housing Monitor '86: Annual Report on Housing Targets and Achievements" was published in April of 1986 and summarized the highlights of the housing acehivements towards the Official Plan targets for the period 1976-1986. The conclusions of that report are summarized here. The housing targets in the Official Plan are gross approval targets. They do not take into account loss of housing through demolition or deconversion, and are not a measure of actual starts or completions. In other words, the targets are an indicator of anticipated new construction. Figure 13, which was contained in Housing Monitor '86, graphically depicts the level of achievements for both the City and the Central Area during the 1976-86 period.

Figure 13
1986 Housing Targets and Achievements
as of January 1, 1986



Note: 'Targets' and 'Achievements' both deal with approvals, not actual construction

Source: City of Toronto Land Use Information System

The pattern has been consistent for both the City and Central Area: private housing targets were met or exceeded while assisted housing achievements fell short of targets in every instance. The combined private and assisted City-wide housing target was exceeded in this period. However, the Central Area achievement of 28,425 units fell short of the target of 30,000.

A significant proportion of the Central Area achievement was actually located in the Central Core. Although there is no target for housing in the Core, the Plan does seek to ensure that a substantial amount of new Central Area housing is located there. This objective has been met with an enthusiastic market response, with a total of 16,229 units approved in the Core, representing a 57% share of the Central Areas achievements. The Housing Monitor '86 report also noted the descrepancy between achievements (i.e. approvals) and actual construction starts. Of the 44,231 total units approved only 28,489 units, or 64.4%, were actually constructed. In these terms the assisted sector out-performed the private sector; completion rates for units were consistently higher in the assisted sector than the private sector.

The Official Plan also sets approval targets for family housing, or housing suitable for families with children. These are units which contain at least two bedrooms, are located within three floors of grade and have direct access (i.e. non-mechanical) to grade. This target was expressed as a percentage, 25%, of all approvals in the City. In the 1976-1986 period, only 18% of approvals City-wide fit the definition. Within the Central Area that proportion was even smaller, representing about 10% of all approvals.

The Performance of the Housing Policy in Meeting Housing Needs

The exercise of evaluating the performance of the private and assisted sectors of the housing market in achieving the City's housing goals is an important and useful one. Equally or more important, however, is the task of assessing whether the objectives and policy instruments developed at the time of the Plan continue to make sense ten years later, or whether further initiatives are warranted. In part, this was the task undertaken by the Housing Policy Review Committee as part of what is known as the "Living Room II" study. Their recently published report covers a broad range of housing related issues, beginning with an analysis of the dimensions of the current housing crisis.

The Housing Policy Review Committee (HPRC) found that an increasingly broad segment of tenants were being threatened by rental market pressures to the extent that "a sizeable minority" of the City's tenants are now experiencing affordability problems. "An estimated 40 percent of Toronto tenants are now paying more than a quarter of their before-tax income on rent..." The HPRC also examined the plight of families searching for suitable housing in Toronto. Again, however, the Committee found that much of the problem relates to the issue of affordability. The failure to achieve the family housing targets of the Plan did not, in and of itself, contribute to the continuing housing crises for families. Much of the 'family' housing built is not in fact occupied by families with children; many families in need simply cannot afford the new housing.

Seniors, the disabled, roomers, refugees and the homeless were also identified by the HPRC as citizens in jeopardy in terms of accessibility to adequate and affordable housing.

The recent trends in housing that have contributed to the current crisis were also examined by the HPRC. The unrelieved trend of declining private rental housing production that began a decade ago has been partly off-set only by means of significant government sponsored subsidy programs. Consequently, the rental vacancy rate remains extremely low.

Volatile market and lending conditions were also cited as disincentives to new rental production. The aging of the existing high rise rental stock is also highlighted as a major area of concern. The recommendations of the HPRC are as far ranging as the housing issues discussed in the report. With respect to the housing policies of the Plan, however, the Committee made a number of specific recommendations. In particular, new housing targets for the next five years are proposed based on a projection of low to moderate income rental housing needs. The 6,000 unit, five year target, comprising 1,000 seniors units and 5,000 non-seniors units, is a NET approval target which recognizes the rather alarming current rate of loss of housing units through deconversion, deintensification and change of use.

The HPRC also recommend further study of:

1) a density bonus for rental housing,
2) a bonus for assisted housing in mixed commercial-residential areas under the floor space index (fsi) option,
3) the extention of bonuses for social housing in residential districts,
4) whether privately funded seniors housing should qualify as senior citizen housing under the Plan and
5) the policies of other jurisdictions for securing housing benefits.

6.1.2 What are the Challenges of the Next Decade?

The report of the HPRC has identified a number of areas where the existing housing policies and programs have been inadequate. Although the housing policies of the Central Area Plan in many respects have been successful beyond expectations, with housing investment in the Central Core in particular being remarkable, the reality for many Torontonians is a narrowing range of affordable housing options. The challenge of the next decade for the City's housing policy will be to arrest and, if possible, reverse that trend. This is a formidable task and one which will require a broad ranging response.

"Research Bulletin 26: Trends in Housing Occupancy", published in August 1986, sets out in detail the extent of the losses and gains from deconversion and conversions in the existing housing stock. The results of the study show that despite the addition of a substantial number of units through new construction in the City, during the 1976-1986 period the net losses within the existing stock dramatically undercut the contribution made by new construction. Deconversion was chiefly responsible for the loss within the existing stock. From 1976 to 1985 almost 17,000 units were lost as a result of multiple unit properties being converted to single occupancy use. Another 8,000 units were lost through the deintensification of multiple unit properties to contain fewer, larger, and probably more expensive units. An additional 3,600 units were lost through changes in use or simple removal from the market for various reasons. Conversion, intensification and other gains on the other hand, only added about 17,700 new units into the existing stock. The net loss of units in the remaining stock was approximately 10,900 units.

The research suggests that the activity within the existing stock can have as profound an effect on the supply of housing as new construction. As described above, approximately 28,600 units were removed from the 1976 stock, and almost 17,700 were added during the 1976-1985 period. In that same period new construction generated about 28,500 new units. Ironically, the success of one housing policy initiative, neighbourhood preservation and the upgrading of the existing housing

stock, has had the effect of compounding the difficulties of achieving another important objective of increasing the supply of affordable housing.

Although Research Bulletin 26 does not address the issue of affordability, it is not unreasonable to assume that a substantial share of the units lost through deconversion and deintensification (some 28,500 units) were affordable to low and moderate income people. Many tenants dislocated by the process of deconversion and deintensification are then faced with the dismal prospect of searching for affordable accommodation in an ever diminishing stock of rental housing.

Some of the 17,700 units added to the existing stock in the 1976-1985 period may have been "affordable", but at the same time many units were being removed from the affordable to the "luxury" category through renovations. During the 1976-1986 period only 13,875 "assisted" units were added through new construction. New construction of assisted housing is barely able to keep pace with the loss of affordable housing from the existing stock.

During the same period, housing prices have increased. The trends in the average price of housing in the City and Metro are illustrated in Table 9. Between 1976 and 1985, house prices in the City increased 115%, while in Metro they increased 94%. Prior to 1980, the average house price in Toronto, although higher than the Metro average, was generally lower than in both North York and Etobicoke. Since 1980, this has changed. The trend in housing prices in the City in recent years confirms the general observation that Toronto as a place of residence is increasingly becoming less accessible to low and moderate income people.

Table 9
Trends in Average House Prices
1976-1985

	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
Toronto	60,934	65,928	67,013	77,484	89,794	110,906	112,522	122,017	128,334	131,547
N.York	63,851	67,926	70,190	78,301	87,447	99,204	99,494	109,968	119,013	121,346
Etob.	62,624	66,866	69,869	74,764	82,388	93,910	93,629	103,188	108,744	113,357
Scarb.	55,997	59,952	63,306	65,435	70,736	80,698	85,869	91,993	94,575	98,637
E.York	52,697	53,157	56,328	59,808	82,531	78,190	84,983	87,170	91,385	96,209
York	48,609	53,561	52,994	58,806	65,148	76,809	78,244	80,030	84,322	88,915
Metro	59,060	63,748	65,877	72,310	82,132	95,349	97,128	104,723	109,728	114,732

Source: Toronto Real Estate Board: House Price Trends

In view of the changes which have occurred in the City in the past ten years, an important element of any review of the City's housing policy must include consideration of all available means to increase the supply of affordable housing. The HPRC has recommended revised targets which imply a tremendous increase in the production of new low to moderate income units because the targets are a net figure, and losses from the existing stock would therefore have to be taken into account. While this target may be a more realistic reflection of need, the means by which to guarantee the achievement of this target still elude us.

Another important challenge facing the City relates to the issue of the aging apartment stock. This has been recognized by both the recent Provincial studies and the HPRC. This issue must be

addressed comprehensively and with some urgency as many of the City's older apartment buildings will be reaching the end of their 'natural' life in the next decade and will require major rehabilitation of their building systems, including plumbing, heating and electrical systems. An assessment of the magnitude of the problem in the high-rise apartment stock was recently undertaken by Planning and Development Department staff and a Research Bulletin on the topic will be released in early 1987. The results of that assessment are significant for the future of Toronto's housing stock and its low to moderate income residents. Of the 75,465 rental apartment units in high-rise buildings in the City, 22% (16,305) were built prior to 1961 and 65% (49,590) were built between 1961 and 1975. The majority of high-rise apartment tenants have low to moderate incomes. About two thirds of the households in high-rise rental buildings had incomes below $20,000 in 1981 and about half of these had incomes below $10,000. Conservation of this existing supply is critical to maintaining the supply of affordable housing in the City. Also important is the housing found in low-rise apartment buildings, which are in many cases older than the high-rise stock. These latter units have been under particular pressure in recent years where the need to upgrade building systems has provided an opportunity to convert these to luxury units and remove them from the affordable rental market.

Finally, although a hiatus has been granted by the Rental Residential Protection Act, the issues of condominium conversion of the rental stock, and of a balance between ownership and rental accommodation will continue to be an important element of the housing question.

6.1.3 The Need for New Initiatives

It should be noted that the City does not have sufficient tools at its disposal to address all the problems related to the provision of affordable housing. However, to the extent that the City, through its land use regulations, can influence the production of affordable housing, it should do so. The following discussion looks at this aspect of the housing crisis and at possible means to address the current problems.

Affordable Housing

Are the existing policy instruments of the Plan (e.g. the assisted housing bonus) or the proposals put forward by the HPRC (for expanding the bonus to rental housing and the use of the fsi option in mixed CR areas and certain R districts) a sufficient response to the challenges of the next ten years?

The existing bonus and those proposed by HPRC are production incentives. The question arises, however, given the experience of the past ten years and evidence of the general erosion of the stock of affordable rental units, whether production incentives are adequate to address the City's housing needs.

The assisted housing bonus as it currently exists in the Part I Plan was intended as an incentive to the private sector to contribute to the production of assisted housing. The link between assisted housing and private development is clearly stated in Section 1A.21 of the Plan, which states:

> "It is the policy of Council to employ its housing implementation program to encourage the provision of *assisted housing* throughout the *Central Area*, except for the *Financial District*, and to employ residential density incentives by way of this Plan and the Zoning By-law for the production of *assisted housing* and components of *assisted housing* within private development projects."

In reality, the past ten years have shown that the existing bonus has been attractive to the non-profit sector, in that it allows non-profit organizations to compete for land, but that it has not been completely effective in promoting the provision of assisted housing in conjunction with private development. There are a number of reasons why the current bonus has not been an effective incentive to private developers.

In the City of Toronto, the Provincial Rent Supplement Program has effectively been the only program under which private developers could potentially have used the bonus density to provide assisted housing. However, although private developers have in the past shown an interest in making use of the Rent Supplement Program, the Ontario Housing Corporation, which operates the program, has not been willing to give a commitment to lease bonus density units in a new private project before it is substantially completed, and has generally refused such units when completed. The Ontario Housing Corporation is also unwilling to provide long-term lease agreements for units, so there is little guarantee that subsidized units will be secure in the future.

Because the Rent Supplement Program is not attractive to the private sector as currently operated, if a private developer wishes to take advantage of the bonus density, it would be necessary to enter into some sort of joint venture or lease arrangement with a non-profit producer/supplier. However, the bonus as currently structured poses difficulties for this kind of arrangement. In particular, the bonus in these circumstances only works well on large sites. For marketing reasons a private developer is unlikely to provide an assisted housing component in a project unless the assisted units are in a separate building or tower; the assisted housing operator is frequently also not interested in the units unless they are clearly separate.

Such separation will usually only be feasible on a large site where a private developer might reserve a portion of it for assisted housing and be able to make some profit by leasing or selling the land to a non-profit provider. This happened in the case of One Park Lane, for example, at Simcoe and St. Patrick Streets. However, even in these circumstances, the incentive is quite limited, and can be off-set by concerns about mixing assisted housing with market housing in the same project. Also, on small sites, the application of the bonus will generally result in fewer units than the minimum size development acceptable to non-profit providers.

While the existing bonus has not, on its own, been effective in promoting assisted housing within private development, more recent initiatives show more promise. A different approach to the production of assisted housing has been taken in Part II studies in the area south of Front Street. The Railway Lands Part II Plan, the World Trade Centre Part II Plan, and the earlier Harbourfront Plan, all contain requirements that 30% of all residential units in the area be assisted, although the techniques for securing their production have varied. In the case of the Railway Lands, the assisted housing component is secured by means of conveyances of land to the City, adequate to ensure that approximately 30% of the anticipated units will be assisted. In total, the Railway companies will convey 13.5 acres of land to the City for housing purposes.

Harbourfront's assisted housing requirement has been provided by a number of different social housing agencies and private developers; no land conveyances for assisted housing purposes were required. The World Trade Centre Part II Plan makes use of Section 36 of the Planning Act, which allows for density bonuses in exchange for the provision of certain matters, including assisted housing. The Part II Plan requires that land for 30% of the units be provided to the City and allows for a cash contribution as a means of implementation.

In addition to the initiatives taken in the area to the south of Front Street to increase assisted housing production, a number of recent site specific Official Plan amendments have or will result in the provision of assisted housing. Scotia Plaza/Waterpark Place, the CBC site, 1001 Bay Street and the Wellesley-Phipps project all involve, among other things, land conveyances to the City for assisted housing. In many respects, this recent history of site specific Official Plan amendments, which involves some assisted housing commitment as a condition of increased densities or in one case a density transfer, is more in the nature of a real bonus policy than that contained in the existing Part I Plan. A systematic evaluation of the experience and initiatives of the last ten years and the merits of a revised bonus policy should be conducted in order to provide clearer direction to the private sector and encourage an increase in affordable housing production.

An analysis of the experience of other U.S. cities may also prove valuable. Linkage programs, such as San Francisco's Office-Housing Production Program, should be further evaluated to determine their applicability to the Toronto context. Linkage programs are based on the idea that there is a relationship between what happens in the general economy of a city and its housing needs. Generally, increases in office space can be expected to result in additional office workers in the City; some percentage of these will want or need to live in the City and many will not be able to find affordable housing. Moreover, the competition for existing housing from new office-worker households, regardless of income, generates pricing pressure on the affordable supply. Linkage programs attempt to shift some of the responsibility for providing affordable housing to the private sector by linking new office development with housing production, either directly or through development levies.

A study is now underway involving staff of the Planning and Development, Housing and Legal Departments, which will examine the options available to promote increased affordable housing production. The study will assess existing policy instruments used in the City and those being used in other North American municipalities. Under consideration are: 1) a revised bonus policy, 2) the application of a requirement, through Part II Planning studies, 3) the kind of linkage programs in use now in other cities in the U.S., and 4) the development of a policy comprising some combination of the above.

Rental Housing

Experience has shown that changes in the existing housing stock can have a profound impact on net gains in affordable housing. It is therefore necessary to explore further measures to control the conversion of existing affordable rental accommodation to more expensive privately owned dwelling units. The issue of determining an appropriate balance between rental and ownership housing is difficult to resolve. Even more difficult, however, is developing the means by which to achieve and maintain such a balance with only the limited tools of land use planning. The Rental Residential Protection Act has provided some added protection against the conversion of the existing rental stock and has also provided the time to conduct a comprehensive review of the policy options available to local municipalities such as the City of Toronto.

Preservation of the existing rental stock has not traditionally been an area of municipal intervention, except indirectly through condominium conversion policies. However, the consequence of not considering a more creative and agressive posture towards the deconversion problem, may be a deepening housing crisis.

The Aging Apartment Stock

Related to the issue of maintaining and increasing the stock of affordable rental accommodation is the issue of the aging apartment stock. It would be useful to follow-up the recent analysis of the City's stock of older high-rise apartments, with a similar study of the low-rise apartment stock, to complete the assessment of the problem that may be facing us in the next decade. Now is the time to begin to identify solutions, which may involve other levels of government, well ahead of any potential crisis. The study now underway in the St. Jamestown area may form the basis for future programs and policy development in the area of apartment conservation. Two components of the study, an analysis of the physical needs and financial implications and an economic analysis of rehabilitation and on-going maintenance costs, will provide concrete evidence of the kind of problems that will become increasingly more common as the City's apartment stock ages.

6.1.4 Other Housing Issues

The matters discussed in the previous sections suggest that, in view of recent demographic changes, trends in the economy, and the significant changes to the City's existing housing stock, a review and refocussing of the City's housing policies, programs and priorities is in order.

An additional housing policy question which must be addressed in the near future relates to the current problems which have arisen as a result of the implementation of the recently approved floor space index (fsi) option for mixed commercial-residential areas. A significant number of previously approved schemes under the units per hectare (uph) system are now considered uneconomic by the private sector because they involve unusually large dwelling units. The bulk of the building, in many instances, is greatly in excess of the mixing formula constant, which is the development cap under the fsi system. The result has been several requests for and many enquiries regarding Official Plan amendments to allow for a greater number of smaller units to be built within a previously approved building envelope.

The fsi system and the uph system are alternate ways of calculating residential densities and accordingly provide for a measure of predictability about what will result in a particular area. The uph system allows for the general prediction of new population, based on the number of units permitted to be built. The fsi option allows for a similar kind of predictability based on a maximum floor area (although there is also an implicit maximum uph even within the fsi system). Consistency and predictability are important both for investors and planners. It would not be desirable for a 'hybrid' density system achieved through site specific Official Plan amendments, to evolve without a systematic review of the implications. This matter requires further study, and as has been indicated in recent reports on specific proposals of this nature, planning staff will be undertaking just such a review.

6.2 Physical Form and Amenity

As discussed earlier, the Central Area Plan contains policies designed to enhance the physical form and amenity of the Central Area. This section of the report reviews the three major areas of the Plan in which new initiatives were taken: a) conservation of physical resources, and in particular heritage preservation, b) provision of improved pedestrian facilities, and c) environmental conditions.

6.2.1 Conservation of Physical Resources

a) Heritage Preservation

Concern over historic preservation issues predated the Central Area Plan. In 1967, the power to postpone building demolitions to enable the City to seek preservation solutions with the owners of heritage buildings was introduced in the City of Toronto Act. The provision allowed for a postponement period up to 60 days. In 1973 the Toronto Historical Board established the City of Toronto's Inventory of Buildings of Architectural and Historical Importance. The Ontario Heritage Act of 1975 extended the demolition postponement period to 180 days.

It was with the Central Area Plan, however, that heritage preservation was acknowledged in the Official Plan in a significant way. In addition to policies which advocated preservation, the Plan includes, in Section 1A.42, a density exemption (bonus) policy for the Central Area. The Central Area Plan and By-law also downzoned some areas where a significant concentration of historic buildings were located which had the effect of reducing redevelopment (and hence demolition) pressure on these sites.

While there is no way to calculate how many of the more than 1,600 heritage buildings in the Central Area would have been demolished without these preservation initiatives, the Plan and the principles it embodies have clearly been successful in securing the future of many historic buildings.

Indicative of the number of buildings whose future is now secure, are the 33 Heritage Easement Agreements now registered on title and a further 41 now being processed. A number of significant buildings have been preserved as part of the approval of major redevelopments, such as Trinity Church, the Bank of Nova Scotia and Confederation Life buildings. The future of others have been secured through density transfers, such as St. Andrews Church, the Wintergarden/Elgin Theatres and the Bank of Upper Canada.

Section 1A.42 of the Plan, the historic exemption policy, has accounted for the preservation of 12 buildings over the 10 years that the policy has been in place. Nine of these complied fully with the provision of the Section. Section 1A.42 has been applied most often in the Financial District (5 times), followed by the High and Medium Density Mixed Commercial Residential and the High Density Residential Areas (2 times each), and only once in a Low Density Mixed Commercial Residential Area.

During roughly the same period, however, (since 1973 when the Historic Inventory was started), 58 historic buildings have been demolished in the Central Area, and others continue to be threatened. An additional 27 were lost outside the Central Area. While more buildings have been 'secured' than have been lost, and many others are not likely to experience any significant development pressure in any event, it remains important that City policies for heritage preservation be comprehensive and as effective as possible, so as to minimize potential losses.

Section 1A.42 of the Plan calls for a two year review of the effectiveness of the policy of preserving historical buildings. This review process has never been fully implemented. Included in the review process is an examination of whether or not the density exemption is adequate. A full discussion of the review is presented below.

Section 1A.12(c) of the Official Plan requires the Quinquennial Review to include an assessment of the extent to which advantage has been taken of the historic bonus policy. The 1981 QQR noted that, at that time, 6 sites had taken advantage of the bonus policy and a total of 63,189 square metres (680,183 square feet) of floor area had been awarded under the policy. Since 1981 an additional 92,569 square metres (996,437 square feet) of commercial floor area have been granted, as well as 1,975 square metres (21,259 square feet) for other uses (residential and community services). Over the ten year period of the Plan, the historic bonus policy has contributed only 5% of the total amount of growth in office space that has occurred in the Central Area. Although at the time the bonus policy was put in place it was not clear what impact it might have on the office deconcentration policies, it seems clear from experience that its application has had no significant impact on the rate of Downtown office growth.

In a report issued earlier this year entitled "Density Transfers Policy Review and Recommendations", a new density transfer policy for Heritage buildings was proposed. That policy is intended to address some of the inadequacies of the existing bonus policy (Section 1A.42). In particular, in circumstances where there is little or no space for development on the historic site and no opportunities to expand the lot, or where development is undesirable over or adjacent to a building (for example where open space is important for historical context), and/or where the historic building and therefore the bonus is very small, Section 1A.42 is of limited usefulness. The proposed heritage transfer policy would be a valuable addition to the City's preservation tools. Further reports on the density transfer review report have been requested by the Land Use Committee and should be available in the near future.

Further Studies

In addition to conducting the review required by Section 1A.42 of the Plan, a broader review of the heritage policies including a number of separate studies, is currently underway. These studies, which are being undertaken in consultation with the Toronto Historical Board, include:

- a review of Section 1A.42,
- a study of all historical demolitions to date, both in and beyond the Central Area,
- a special review of the stock of buildings in the areas experiencing greatest redevelopment pressure,
- a study of special purpose historic buildings, and
- a review of Heritage Easements.

The Section 1A.42 Review

The Section 1A.42 Review is currently underway and nearing completion. It will examine a number of aspects of the current Official Plan provisions regarding heritage preservation, including:

- clarification of where in the Central Area the policy now applies; to date there has been some confusion, for example, about whether the policy does or should apply in the Central Industrial District;
- clarification of whether floor area which is substantially reconstructed qualifies for exemption;
- an examination of the situations where the existing and proposed policies are not adequate;

- an examination of past experience with historic bonuses that exceeded the Section 1A.42 provisions;
- an assessment of the experience in securing heritage easements through means other than Section 1A.42; and
- an assessment of whether the current exemption ceiling of 25% of the maximum commercial floor space is appropriate in all instances.

Consequently, this section of the 1986 QQR does not recommend any revisions to Section 1A.42 at this time. It is anticipated that revisions will be forthcoming upon the completion of the Section 1A.42 Review and the other studies noted below.

Other Studies

As listed above, a number of other studies have also been initiated. The Demolition Study will review the case histories of the 84 historical buildings that have been demolished since the Inventory monitoring system was established. It is expected that this detailed review will shed additional light on the decision-making process which leads the owner to opt for demolition and the kinds of incentives, if any, which might have resulted in the building being saved.

A special study of buildings in the Financial District and the High Density Mixed Commercial-Residential Areas will review the historic building stock in those areas. The objective will be to assess whether, in those cases where development pressures are greatest, the existing incentives are likely to be useful.

A study of Special Use Buildings is also being conducted to examine the 78 or more buildings in the Central Area originally built for special purposes and which are not readily adaptable to other use, such as churches. The study will examine what kinds of special incentives will be needed to secure the future of these buildings.

Finally, a review of those instances where Heritage Easements have been secured is being conducted to examine the means by which the agreements were obtained as well as the effectiveness of the agreements in maintaining historic buildings.

The Future for Heritage Preservation

The Central Area Plan sought to preserve some of the best aspects of the City, particularly the extensive stock of historic buildings. To a large extent this effort has been successful. There is generally an acceptance among those in the development industry that heritage preservation is socially desirable, if not always financially attractive. At this point in time, ten years after the Central Area Plan initiatives, it is clear that increased incentives of various types and broader municipal authority may be required to ensure that the historic preservation objectives of the Plan can continue to be achieved. It is anticipated that the reviews currently underway will develop an appropriate framework to meet the needs of the next decade.

b) Areas of Special Identity

Since the adoption of the Central Area Plan a number of areas of Special Identity have been identified through Part II studies, including the: Sultan-St. Thomas, Church Street, McGill-Granby,

Chinatown West, Queen Street West, Grange Galleries, Baldwin Village and Kensington Areas of Special Identity. In each of these areas, appropriate zoning amendments were made to ensure that development would be consistent with and strengthen the character of each area. Design guidelines for use in development review applications were also developed. The North Midtown Area Plan will also put in place a number of Areas of Special Identity, as well as identifying designated view corridors which should be preserved. Built form and design guidelines for these areas of North Midtown have also been adopted.

During this period the St. Lawrence Historic District has been preserved and revitalized, highlighting some of the major successes achieved in the last ten years, as new development is integrated into the existing City fabric.

Much of the City's authority to secure the conservation of Areas of Special Identity, including traditional streetscapes, special features and significant views, relies upon the powers of Section 40 of the Planning Act. The Zoning By-law is effective in establishing general guidelines for development and ensuring that potential developments are consistent with the conservation objectives for an area. However, frequently the special features of an area which are sought to be enhanced and strengthened, prove to be those which cannot easily be regulated or secured through general zoning authority. On the other hand, the powers under Section 40 also are sometimes inadequate to ensure the appropriate integration of new development in Areas of Special Identity. For example, architectural details and materials may be significant aspects of an area's character, but these are matters which cannot be regulated under Section 40 of the Planning Act.

The City continues to experience some frustration in the areas where its authority is limited, for example around the issues of demolition control, the preservation of significant views, and issues of architectural design and quality. In this context, the Toronto Historical Board has recently requested amendments to the City of Toronto Act to acquire increased power over demolition control for historic buildings in order to prevent demolition where development is not immenent.

On the whole, however, the experience of the last ten years has been positive with respect to this particular aspect of urban design. There are many examples of successful integration of new development with the existing urban fabric. Clearly articulated design guidelines and public objectives have provided guidance to the private sector in many areas. Though much remains to be done, the general response from the private sector has been encouraging. In the area south of Front Street (in the World Trade Centre, Waterpark Place, Railway Lands and Harbourfront) where to a large extent new development will be casting the image of the City, planning initiatives have emphasized the need to continue to provide a clear direction in terms of physical form and design criteria as those areas evolve. The achievements of the last ten years have established an important beginning and a framework for addressing the future problems of preservation and integration.

6.2.2 Improving the Pedestrian Environment

In accordance with the policies in the Central Area Plan, a major focus of urban design activities over the past ten years has been on the expansion and enhancement of pedestrian amenities. In this respect there has been an important marriage of private and public sector initiatives. Through requirements for common outdoor space, incentives for internal pedestrian walkways, and clear guidelines for the development of a public walkway system, the private sector has responded to the goal of improving the pedestrian environment in the Central Core. Through the collaboration of

public and private interests, more walkways below and at grade level have been added where needed, subway connections have been included in new developments, sheltered arcades have been provided and the underground walkway system has been extended.

At the same time the City has undertaken an ambitious program of improving public streets, sidewalks and other public spaces, including extensive tree planting, increased pedestrian scale lighting, special sidewalk treatments and the installation of public art. Major expenditures in the Old Town of York have resulted in significant improvements in this historic area. Over roughly the past ten years, the City has expended approximately $20 million dollars on improvements to the pedestrian environment in the Core. It is estimated that during the same period, the private sector has contributed in excess of $20 million towards achieving this goal. Outside the Core, it is estimated that the City has spent about $13 million on improvements in the neighbourhoods over the same period. In many respects, the accomplishments of the last decade have shown this aspect of the Plan to be one of its most successful initiatives.

6.2.3 Environmental Conditions

The Central Area Plan contains policies regarding improving environmental conditions, particularly in terms of sun and wind, in the Central Core. These policy statements reflect concern principally for the impact of new buildings on the pedestrian environment.

The principal means by which the City can influence the impact of new developments on wind conditions and shadowing effects is through the rezoning and development review processes, which permit detailed review of the environmental impacts of the massing of a proposed development.

The City has also, though efforts like the Bloor Street Pedestrian Level Wind Study, helped to educate the development industry about the City's concerns in this area. Council has adopted guidelines to request that wind studies be undertaken in certain situations as a result of that study.

In the past ten years, there has been a growing recognition and interest on the part of the private sector to accommodate concerns about environmental quality in designing new projects. This increasing awareness can be expected to lead to improved environmental designs for new buildings, particularly with respect to wind and shadowing effects.

Although the Central Area Plan did not specifically address other aspects of the environment, such as air, water and soil quality, recent planning initiatives south of Front Street, particularly the Central Waterfront and Railway Lands plans, have had to deal with these matters. In the case of the Railway Lands in particular, the need to develop an appropriate mechanism for addressing these environmental concerns as part of the redevelopment process was crucial. The use of the Environmental Agreement, as applied through the Precinct Agreement process, has established a useful model which can be applied in other cases where large-scale redevelopment of formerly industrial lands may pose particular environmental problems.

6.3 Parks and Open Space

6.3.1 The Experience of the Last Ten Years

The City has taken important initiatives in the past ten years towards increasing the provision of parks and open space. The strategy, however, that has been followed has been quite different from

that initially set out in the Plan. In addition to establishing a quantitative standard for achieving a basic Central Core parks system and therefore a yardstick by which to determine park 'deficiencies', the Plan also requires that annual parks acquisition targets be set for the Core, and that Council review annually the progress made towards achieving the basic parks system. The emphasis of the Plan strategy, therefore, was on an agressive acquisitions policy, based on a quantitative standard.

The experience of the last ten years has departed substantially from the stated policies. The only acquisition, by outright purchase by the City, was for a 1/2 acre park on Church Street, to expand an existing park around the community centre at 519 Church Street. In essence, the high costs associated with the acquisition program, given the price of land in the Core, effectively paralyzed the program.

On the other hand, a number of very successful parks have resulted from negotiations related to major redevelopment projects. These include College Park, the result of a street closing and land exchange, Asquith Green and Trinity Square Park. Harbourfront, the CBC site, First Canadian Place, the Railway Lands and Massey Ferguson, have or will provide substantial park lands. Acquisition through 'taking' and negotiated public benefits has formed a significant part of the City's recent parks strategy, although not formally recognized by the Official Plan. Also, significant privately owned but publically accessible open spaces, such as in the Polo II proposal on Bay Street, have been secured.

In other instances the City has been able to expand or redesign existing parks to increase their usability or have utilized other City owned lands for parks. Included in this category are Berczy Park and St. James Park. Closing of streets to expand or create new parks has also been successful as in the case of Grange Park, Asquith Green and the McGill Granby parkettes.

Finally, as discussed earlier, in recognition of the role streets themselves play in the daily lives of citizens, an extensive street improvement program has been implemented in the Core over the last ten years. Common outdoor space provided in new private developments has in many cases expanded and enhanced public pedestrian amenity space along streets. While not parks or even street parks , these improvements also contribute to the "greening" of the Central Area in a way not fully contemplated by the Plan.

6.3.2 Towards a New "Parks" Strategy

In reviewing what the Plan calls for and contrasting this with the experience of the past ten years, several questions arise. Chief among these is the question of whether the single criterion of a quantitative standard is the most appropriate way to identify park deficient areas. Also, is it reasonable to continue to pursue an acquisition program in the Central Area? These and other issues are discussed briefly below. These questions will be explored in depth in the near future as part of a comprehensive Central Area parks and open space review currently underway in consultation with the Parks and Recreation Department.

a) Is it appropriate to continue to use a quantiative standard (a local or district park within 200 metres of any place of employment or residence) as the sole criterion upon which to base park acquisition priorities?

Quantitative standards for assessing park needs are generally recognized as being a less than satisfactory basis for planning a City's public open space needs. The reasons for this are many. The primary reason is the fact that the effectiveness of a public open space system does not depend entirely on quantifiable matters. A major factor is the quality of the space. The success of a park or of the system depends in large measure on a variety of qualitative issues such as the extent to which the parks reflect or can adapt to the surrounding community needs, the location of the park with respect to the focus of activity within a community, and the nature and make-up of the community surrounding any particular park. In undertaking the open space review it will be important to examine the ways to improve the methodology of parks planning, and bring to that process a better understanding of the open space needs of the various communities that make up the Central Area.

b) Is it reasonable to continue to have Council allocate capital funds each year for the acquisition of parks in park deficient areas?

Of all of the park related policies set out in the Central Area Plan, the one that has proven the most elusive or difficult to implement is the concept of securing parkland in park deficient areas through direct acquisition of property. In the past, direct acquisition of property on the open market has been found to be ineffective because it is too expensive, and in any event largely unnecessary. As noted earlier, the direct acquisition policy has only been implemented on one occasion. On the other hand, negotiations with developers of major projects has resulted in substantial quantities of public park and/or open space at no direct cost to the City. The issue of land acquisition must be reviewed and the success of the actual strategy that has been used over the last ten years must be recognized as an important alternative to the original direct acquisition policy.

c) Is it possible to frame a policy which will ensure better utilization of lands already in public ownership for parks and leisure opportunities?

There exists a significant quantity of City-owned land which could be utilized for park and public recreation purposes. The redevelopment and community use of playground facilities has proven to be an effective and useful way to create public open space in park deficient areas. The closing of unnecessary portions of streets, to create land to develop as street parks has also been an effective technique. Additional policies which build on those already present in the Plan and reinforce the potential of streets to provide opportunities to experience the City and participate in community life, should be developed.

d) Other issues which should be explored further include:

- the use of Section 41 of the Planning Act respecting payment in lieu of parks;
- how to encourage greater diversity in the types of parks and open space that are being provided;
- with the increasing residential function of the Central Core, is the distinction between the Core and neighbourhoods in respect to the provision of parks still valid?
- should the concept of a parks system include the collective impact of parks, publicly accessible open space, street parks and street amenities as well as the internal network of walkways both at and below grade.

6.3.3 The Tasks of the Current Review

From the previous discussion, it can be seen that the tasks and objectives of the review currently underway are numerous. There is a need to more fully document and analyze the existing park and open space system; to understand its component parts and the synergy that collectively results. In essence, there is a need to better understand and define the "system" that we are trying to achieve. Only when this exercise is complete will it be possible to develop more meaningful measures of 'deficient' areas.

It will then be necessary to develop targets for land acquisition, by means other than direct purchase, in areas or sites where redevelopment is expected. It will be necessary to have guidelines for the type of land to be acquired, in terms of size location, context and physical characteristics. The study should also review underutilized resources (such as the lower Don) and develop guidelines for their recreational use. Finally, the review must establish a framework for monitoring the evolution of the parks system, including a review of City wide objectives.

6.4 Retail

6.4.1 Retailing in the Last Ten Years

Construction activity and employment figures are two sources of data that can give some indication of the changes that have occurred in the retail sector over the last ten years. Unfortunately, employment data prior to 1981 and part time data prior to 1983 are unreliable. Notwithstanding, these constraints, it is possible to make some observations about retail activity in the Central Area over the last ten years.

a) Floor Area Changes

Table 10 shows floor area changes since 1976 which include new construction, conversions (alterations) to retail use and demolitions. The net figures are quite revealing. 1978, 1983 and 1984 saw major net additions to retail floor area, while in 1977 and 1981 there were net losses. In total, between 1976 and 1986, 426, 358 square metres of retail space were added to the inventory of space in the Central Area.

Table 10
Net Changes in Floor Area - Retail
(in sq. m.)

Year	Construction	Alteration	Demolition	Net Total
1976	4 559	60	(2 710)	1 909
1977	13 042	369	(79 115)	(65 703)
1978	147 614	3 195	(7 581)	143 218
1979	46 437	4 788	(10 411)	40 813
1980	49 167	2 875	(7 984)	44 058
1981	28 376	43 923	(95 303)	(23 004)
1982	32 823	7 224	(17 212)	22 835
1983	94 914	44 642	(31 509)	108 047
1984	111 780	35 612	(30 901)	116 491
1985	38 487	12 869	(29 519)	21 837
1986	21 762	8 654	(14 560)	15 856
Total	**588 962**	**164 202**	**(326 806)**	**426 358**

Source: City of Toronto Land Use Information System

Some of the larger bursts of demolition and construction activity related to major retail establishments such as Eaton's Queen Street and College Street, the new Eaton's Centre and the Kresge stores on Yonge Street. Much of the net additional space is accounted for by significant quantities of street related retail space in new developments. Major changes have occurred through a combination of alterations and new construction. During this period, for example the evolution and consolidation of a major local shopping district in the Midtown area, on Church Street at Wellesley has occurred.

Despite the fact that since 1976 below grade retail has counted as density, the provision of such space in major downtown office developments has continued. The underground walkway and shopping system has been extended in recent years to include, among others, the Exchange Tower, Standard Life and Sun Life buildings, indicating that retail expansion in the Financial District continues to be a profitable enterprise.

b) Retail Employment

Reliable employment figures are not available before 1981. At that time there were an estimated 23,471 full time retail employees in the Central Area. A further 35,674 people were employed on a full time basis in the service industries, a good percentage of which would include workers in services such as dry cleaners, hairdressers and other personal services. This figure also includes hotel employees.

Table 11 shows the employment changes between 1981 and 1985 for these two sectors in the Central Area

Table 11
Retail and Service Employment - Central Area
(Full-Time)

Year	Retail	Service
1981	23,471	30,871
1982	21,733	27,819
1983	21,415	26,374
1984	22,187	26,091
1985	22,333	26,730

Source: Metro Employment Survey

The effects of the recession in the early eighties are evident from this table. Full time retail employment dropped almost 9% between 1981 and 1983, after which it began to increase again, but in 1985 had not yet 'recovered' fully. Full time service employment declined even further in the recession period, dropping almost 15%, and remains below the 1981 level.

6.4.2 The Street Related Retail Policy

Because street related retail space is not monitored as a separate 'class of use' it is not possible to quantify the success of the street related retail policy. However, on the basis of impressionistic data, and general observation of the resurgence of retail strips across the City, combined with the picture of overall growth in floor area, it is reasonable to assume that the Central Area's retail sector is performing satisfactorily and that a major review of this policy area is not warranted.

In fact, the only period in the last ten years where significant land use planning problems presented themselves was during the 1981-82 recession. During these years, a large amount of retail space came onto the market (see Table 8). Because the space was difficult to market during that period, there was pressure to convert some street related retail space to non-retail uses, especially offices. This was particularly true in the East Downtown area. However, this situation proved to be only temporary and, once the recovery gained momentum, the impetus for the conversion proposals largely ended. On the whole a healthy retail sector continues to thrive in the Central Area.

In May 1986, City Council adopted amendments to the Plan that would further consolidate the street related retail initiatives of the Central Area Plan. Although the amendments to secure "traditional shopping streets" do not apply to the Central Core, the Railway Lands, Chinatown or Harbourfront, they are applicable throughout the rest of the Central Area and the City. The amendments have the effect of limiting retail additions to 1800 square metres Beyond this figure a rezoning is required to enable an assessment of the impact of a larger proposal on traditional (i.e. street related) shopping streets.

One area, however, where further study is warranted is parking. A parking study of retail strips has been needed for sometime and it is proposed that such a study be jointly undertaken in the next year by staffs of the Planning and Development and Public Works departments. Among the major issues that must be addressed by the study are the particular physical constraints of retail strips, the question of whether to introduce parking standards for small retail strip developments, and, if so, how such standards could be successfully implemented.

6.5 The Institutional Areas

6.5.1 Changes in the Last Ten Years

A review of the floor area changes for institutional uses, hospitals, colleges and universities and 'other institutions' show that the last ten years has been an era of modest overall growth. Table 12, below illustrates the net changes in floor area from 1976-1986 for the categories of hospitals, colleges and universities and "other" institutions.

Table 12
Changes in Institutional Floor Area
1976-1985
(sq.m.)

	New Construction	Alteration	Demolition	Net Change
Hospitals	164 226	280 178	(363 208)	81 196
Colleges/Universities	41 195	33 253	(26 429)	48 019
Other institutions	102 862	22 145	(62 688)	62 319
Total	**308 283**	**335 576**	**(452 325)**	**191 534**

Source: City of Toronto Land Use Information System

Although the net growth of Central Area hospital space has been relatively minor, only 81,196 square metres (874,000 square feet) over the past ten years, almost every major hospital has undergone some alteration, rebuilding and modest expansion. Others, such as Doctors Hospital, are planning major building programs. In the case of Doctors Hospital, much of the expansion of floor area is devoted to upgrading of existing program functions and facilities (although the Doctors Hospital expansion will include a new chronic care wing). Some recent expansions, such as Mt. Sinai's research wing, will not include space devoted to patient care, either in the form of nursing rooms or other active treatment services, but instead represents an expansion of the research functions.

The universities also appear to have been in a phase of consolidation as apposed to major expansion. The Univerity of Toronto's most recent development proposal, the first in many years, the Natural Resources Centre, does not, in fact, involve an expansion of staff or enrollment. The Centre will bring together a number of related faculties to work together on an interdisciplinary basis. A similar non-expansionist approach to 'rationalizing' the campus can be expected to apply in the future as long as the present period of fiscal restraint continues.

In the past there have been some problems associated with the expansion of institutions, especially the tendency for large sterile areas, reserved for future expansion, to exist for long periods of time, with little or no consideration of alternative uses. Even in a period of relatively little major expansion, this problem persists. Initiatives are now being taken in the hospital district to deal with this issue, and discussions with the University of Toronto are ongoing with a view to developing a program for landscape improvements to the campus.

The employment trends since 1981 for all institutional uses, as indicated in Table 13, have shown a consistent and modest slow growth from 1981 to 1985, with the exception of a small decline in

1982, dur ng the recession. On the whole, institutional employment appears to be more resistent to fluctuations in the larger economy, partly because of the nature of many of the institutions, such as hospitals which provide essential services, and partly because many institutions are largely supported by the government.

Table 13
Institutional Employment in the Central Area
1981-1985

Year	Full-time	Part-time
1981	35,140	–
1982	34,807	–
1983	35,399	4,408
1984	35,645	5,108
1985	36,673	5,814

Source: Metro Employment Survey
Note: Part-time data were first collected in 1983

The consistent overall growth, however, may also be a reflection of the changing role of many institutions in the economy, especially in the Central Area which is becoming increasingly more information oriented, and where higher order jobs, such as those involved in research and development, can be expected to increase.

6.5.2 Recent Trends and Issues

a) Hospitals

Among the Central Area hospitals some interesting trends may be emerging that could impact on the role of these hospitals in the future of the Central Area. First, is a trend toward increased "rationalization" of the larger hospitals for both administrative and cost sharing reasons. The recent "merger" of the Toronto General and the Toronto Western Hospitals was the first in the Central Area. Princess Margaret Hospital is currently considering similar options. The future of the Wellesley Hospital should Princess Margaret Hospital relocate may also become an issue. The implications of these changes are difficult to assess, but they represent an area of interest to which the City should pay close attention.

Second, although hospitals have traditionally had a major research component, there is some evidence that the research function may expand as the application of technology to medical research and treatment continues. Expanding research and development functions are widespread throughout the economy, and the field of medicince is no exception. Mt. Sinai's expansion program, for example, is almost exclusively devoted to enhancing the research and development capacity of that institution. If this is indeed a likely future trend, future employment changes in this sector, as in the office sector, may also show a greater proportion of "higher order" jobs.

b) Cultural Institutions

Two major cultural institutions, the CBC English Language Headquarters and the Opera/Ballet, are seeking new homes in the Central Area. The CBC's new home will be located in downtown west,

just south of Roy Thompson Hall, and north-east of the new Domed Stadium. The Opera/Ballet Corporation continues to look for an appropriate site, although a preference has been expressed by the Corporation for a Provincially owned site in the Bay and Wellesley area.

The new CBC headquarters is specifically recognized in the Official Plan, in Section 6.10. It is a stated objective of the Plan that the new headquarters be located in the Central Area. This policy, however, pre-dated the Central Area Plan and was unchanged by it. In securing a new site for the CBC in the Downtown West district this objective will have been met. At the same time, the CBC proposal will also assist in achieving other City objectives by, among other things, providing sites for assisted housing.

A similar objective for the Opera/Ballet is not contained in the Official Plan, although the Plan recognizes that the Central Area is the focus for regional entertainment, the arts and institutional uses. In reviewing the CBC proposal in the West Downtown, it was noted that the existing institutional policy did not fully address the issue of the location of new general (major) cultural institutions. In part this results from the nature of the Institutional policy, discussed in an earlier section, which distinguished between major and local institutions and established very different policy frameworks for each. In addition, the Central Area Plan did not include an updating of the provisions respecting arts, entertainment and culture.

If the CBC had been able to acquire a site in the Institutional District, no density limit for CBC purposes would have applied. Outside the Institutional District, however, the CBC, like other general institutions seeking a new location, faces a different set of rules. The Official Plan amendment to permit the CBC's new headquarters addressed this issue and the approval of additional density for CBC purposes was considered appropriate to accommodate the CBC's needs.

It may also be appropriate that the new Opera/Ballet facility follow a similar site specific amendment process. However the general principal of accommodating the needs of regionally significant cultural institutions is one which should be more clearly expressed in the Plan in a manner consistent with overall policies. The general question of whether or not the existing dichotomy between general and local institutions continues to make sense in light of experience should be also addressed.

This matter is currently being reviewed by Planning and Development Department staff. This study will also look generally at the alternatives available to facilitate the provision of space for cultural institutions in the Central Area.

c) Community Services and Facilities

The community services and facilities bonus in the Plan was introduced largely because it was expected that population growth resulting from new residential construction in the Central Area would generate a need for additional community service facilities. It was also recognized that many local institutions may have difficulty in securing affordable space in the Central Area, and a bonus might provide an incentive to provide additional space for these uses.

In fact, with the exception of Harbourfront, the community services and facilities bonus has had little application in the Central Area. Generally, private developers have only applied the bonus for their own purposes to house such functions as corporate museums and galleries. In one example,

where a developer used the bonus to provide space for the War Amps organization, the space subsequently proved too expensive and permission was eventually given to convert it back to commercial office space for use by another client. Direct providers of community services, such as the Y.M.C.A., have however used the bonus when building their own facilities. In general, though, many of the new community services that have located in the Central Area over the last ten years have found space in churches, community centres or low rent office developments which did not make use of the bonus.

Its limited application raises the question of whether the bonus is fulfilling the purpose for which it was intended. That is, does it offer an incentive to provide appropriate and affordable space for local services in private development? If the intent is still valid, can the bonus be made more attractive or useful to the private sector, and the intended clients.

A case study of institutional uses in the South Midtown area was undertaken in the summer of 1986. The results of that study are now being analysed, and further follow up study may be required in order to provide a sounder basis for answering some of the questions noted above. The South Midtown area is presently home to 75 institutions, some of which are general institutions (such as hospitals), but many others cater to the needs of the local or Central Area resident and working populations. One of the goals of the South Midtown study will be to assess the extent to which services that are now located in the area feel themselves in jeopardy because of their current lease arrangements, or would prefer a different location in the Central Area but cannot afford the rents. An associated objective of the study will be to assess the extent of service gaps in the area and to determine whether difficulty in securing affordable space is a significant factor.

6.6 Industrial Policy

6.6.1 Industry in the Central Area - The Last Ten Years

Trends in the Economy

The forces of change at work in the general economy, as discussed in an earlier section, have implications for the future of industry and for the City's industrial strategy. For traditional industries, such as manufacturing, the trends are not entirely new. The general decline of "blue collar" and "smoke stack" industries in the City has been observed for some time. In fact, Section 4 of the Official Plan, "Industry and Central Industrial District," explicitly acknowledges this trend: the amount of land designated for industry was substantially reduced at the time of the CID amendments and industry is to be consolidated in areas which are viable for continued industrial use. More importantly, the industrial policy recognizes that in the City context the concept of what constitutes "industrial type" activities needs to be continually updated. Such an update was initially conducted at the time of the CID and Section 4 amendments. Under the City's industrial zoning, uses such as artist's and photographers studios, film and recording studios, broadcast and communication industries, and data processing centres are all considered to be industrial uses. In King-Spadina, sample showrooms, fashion exhibitors space and publishing activities are also considered to be industrial uses. The industrial policy seeks to ensure a continued role for industry in the City and, as further change occurs, it is important that the industrial policy be updated to respond to and reflect those changes.

Paralleling the need for updating of the definition of industry is the continuing need to assess the future for still useful but vacated industrial buildings and areas. As discussed below, Planning staff are currently conducting such an assessment.

Floor Area Changes

Changes in industrial floor area in the last ten years have significantly reduced the overall supply of industrial space in the Central Area. Table 14, below shows the changes in the industrial stock over that period and the extent of the net reduction. Nearly 278,488 square metres (3,000,000 square feet) of industrial floor area was lost, either through demolition or change of use, between 1976 and 1986. Most of this loss, however, was outside the areas designated for industry, that is, outside the Central Industrial District. As Table 15 shows, there was some loss of industrial floor area within the CID during that period, comprising approximately 46,003 square metres (495,200 square feet).

Table 14
Changes in Industrial Floor Area for the Central Area
1976 - 1986
(in square metres)

Year	New Construction	Alterations	Demolitions	Net Change
1976	1 465	0	(4 173)	(2 708)
1977	5 550	906	(37 447)	(30 991)
1978	18 314	333	(18 561)	86
1979	7 966	909	(20 841)	(11 966)
1980	3 315	1 858	(30 329)	(25 156)
1981	9 041	9 714	(98 032)	(79 277)
1982	21 163	2 868	(31 764)	(7 734)
1983	29 987	11 411	(92 502)	(51 104)
1984	4 856	78 428	(130 751)	(47 466)
1985	10 273	23 385	(64 915)	(31 257)
1986	5 513	28 988	(25 415)	9 085
Total	**117 442**	**158 800**	**(554 730)**	**(278 488)**

Source: City of Toronto Land Use Information System

Table 15
Changes in Industrial Floor Area for the Central Industrial District
1976 - 1986
(in square metres)

Year	New Construction	Alterations	Demolitions	Net Change
1976	800	0	(3 344)	(2 545)
1977	2 819	851	0	3 670
1978	2 772	113	(2 044)	842
1979	0	418	(2 803)	(2 385)
1980	219	1 858	(16 240)	(14 163)
1981	4 988	2 828	(17 143)	(9 327)
1982	4 604	2 387	(10 481)	(3 490
1983	1 193	8 702	(21 465)	(11 570)
1984	3 803	17 309	(25 037)	(3 924)
1985	4 825	17 144	(28 398)	(5 429)
1986	1 286	19 557	(18 525)	2 317
Total	**27 310**	**71 167**	**(144 480)**	**(46 003)**

Source: City of Toronto Land Use Information System

These data suggest that, generally, the substantial loss of industrial space has occurred outside the industrial policy areas, consistent with the consolidation policies of Section 4 of the Plan. Some of the loss, for example, was the result of new residential developments, as in the case of St. Lawrence or other initiatives south of Front Street, such as Harbourfront. In some cases, the conversion of industrial buildings to office uses also accounted for the loss of industrial space. In the final analysis, 83% of the space lost in the past ten years was accounted for by changes outside the industrially designated areas of the Plan, largely south of Front Street.

The losses within the CID, some 46,000 square metres, occurred over a period of ten years. New construction and renovation of industrial space is also occurring in the industrial areas. The data in Table 15 do not include new space now under construction or proposals for which building permits have been issued. In King Spadina and Niagara, for example, there are three buildings under construction, totalling 43,953 square metres (472,000 square feet) of which up to 25% can be used for commercial purposes, leaving a total of 32,965 square metres (354,840 square feet) of new industrial space soon to come on-stream. Building permits have been issued for another 51,100 square metres (550,000 square feet) of space, not yet under construction, of which not less than 38,320 square metres (412,500 square feet) will be industrial. Finally, another 115,157 square metres (1,239,580 square feet) of new floor area is in the proposals stage.

The losses over the last ten years will be all but neutralized in the immediate future when the space under construction is available for occupancy. The future for industrial space looks even brighter given the proposals for new construction and additions under consideration.

Employment Changes

Industrial employment in the Central Industrial District, based on Metro's Employment Survey, shows a overall decline since 1981. Table 16 illustrates this trend. It is important to note that these

figures cover the period of the recession, and that the more recent figures may be indicative of a leveling off of losses in the industrial sectors. More importantly, however, one limitation of these data relate to the classification system used by Metro in their employment survey. Certain businesses in the film, video, broadcasting, as well as some high-tech industries, are classified by Metro as office employment. These uses are considered industrial according to the City's land use policies. This results in the Metro figures producing low estimates of employment in industry generally, and may actually mask trends of growth in industrial employment. The film and recording sector in Toronto is a growing one, as the recent King-Spadina industrial area survey has shown. However, the gains in this sector are not reflected in Metro's employment figures for industry.

Table 16
Changes in Industrial Employment: The CID
1981 - 1985

Year	Full-time	Part-time
1981	26,212	–
1982	22,717	–
1983	21,539	166
1984	20,878	212
1985	20,147	290

Source: Metro Employment Survey
Note: Part-time data were first collected in 1983

Vacancy Rates

There are currently no reliable sources for vacancy rates for industrial space and certainly none at the level of the Central Area or Central Industrial District. The recent study of King-Spadina, which was before the Land Use Committee for consideration on November 5, 1986 contained an assessment of vacancy rates for space in that area, and discussed in general the difficulty of accurately calculating such rates.

At a simplistic level, a simple ratio of vacant space to total space yielded a 7.4% vacancy rate for King-Spadina. However, as that study showed, more than half of that vacant space was contained in three buildings which were being held off the market for speculative reasons. In addition, because there is some commercial permission in portions of the CID, unless a detailed building by building classification is conducted, it is not possible to know whether the vacant space in a building is in the industrial portion or the office portion. Finally, as noted in the King-Spadina report, the industrial market operates somewhat differently than the office market. There is a wide variety of building types and conditions and a broad range of requirements by various industries. There is also a certain degree of instability in the demand for space in the higher risk incubator industries. All of these factors make the space classification systems necessary to generate accurate vacancy rates quite complicated. To determine a real sense of the health of the industrial market in any particular industrial district really requires the kind of detailed scrutiny and analysis that was undertaken for the King Spadina area.

6.6.2 Industrial Planning Studies and Initiatives Since 1978

A Selective Economic Development Strategy

In 1981, the publication of "A Selective Economic Development Strategy" marked the beginning of an effort to promote industrial growth, in the broadest sense of the word, in the City generally. The formation of the Economic Development Division of the Planning and Development Department and, more recently, the creation of the Economic Development Corporation, represent further efforts to seek to stimulate economic growth in selected sectors.

The economic strategy for the City is based on the premise that attempts to encourage all forms of growth would meet with little success, and that it is critical to focus energy on selected sectors of the economy that had a reasonable likelihood of success. This strategy has not been systematically updated since 1981, but is currently being reviewed in the context of developing a business plan for the Economic Development Corporation.

The Massey Initiative

The industrial policy is based largely on the goal of retention of the existing industrial base in areas viable for industry and the encouragement of new industrial uses within particular sectors that are suited to a City location. More recently, the initiatives south of Front Street and in the Massey-Ferguson lands have highlighted the special problems of dealing with extensive industrial lands which become vacant when a large industrial activity leaves the City. The south of Front initiative in this respect was noted earlier in Section 2.5.1.

Although Massey's withdrawl from Toronto occurred over a period of years, the end result was 27 acres of vacant, central city lands. The situation called for a special planning response, in the context of the goals and objectives of both the City's industrial policies and the Central Area Plan. The exercise of applying the industrial policies in the Massey situation also involved the development of a new strategy for attracting new industries to the City, which included a strong high-tech component and an incubator function. Both aspects of the strategy suited the special circumstances of Massey, where a large area of land was under single ownership and management. This allows for the development of a very strong and extensive marketing strategy that would be difficult to conduct in an area of many individual land owners. The Massey solution and resulting planning proposals were tailored to the needs of the site, and the overall industrial strategy modified to accommodate those particular needs.

The Future of Industrial Initiatives

The Economic Development Corporation is currently developing its business plan; it has been ten years since the CID amendments and six years since the original economic strategy was adopted. It is timely, therefore to undertake a review and assessment of the City's industrial strategy, not only as it relates to the CID, but to industry City-wide.

The recent King-Spadina study and to a certain extent the Massey-Ferguson proposals, highlight the kind of method that is relevant to the task of reviewing the industrial strategy. While it is important to assess major employment and investment trends that are affecting the industrial sectors in the Toronto Region and to identify dynamic growth sectors for which a City location might be or can be

made attractive, it is equally, and perhaps more important, to assess the nature of the existing local conditions in the City's industrial districts. The King-Spadina study, for example, identified the strengths of that area's garment and film/video sectors. Any selective economic strategy that did not recognize and build upon those strengths, would be neglecting obvious opportunitites and potentially jeopardizing existing activities. The detailed local analysis, for example, has suggested a need to refine the general 'high-tech' strategy that had been proposed for that area three years ago, to bring it more in line with local circumstances and opportunities.

The Massey example, from a different perspective, also points to the need to evaluate the particular circumstances and requirements of an area as a basis for developing an appropriate industrial planning strategy. The continued success of the industrial policy will depend upon an appropriate match between local conditions and objectives and larger economic trends. This principle is being incorporated into a number of local area studies that are currently underway.

The long-outstanding update of the industrial zoning categories, to better reflect the nature of industry in the City today, also needs to be completed. Once this is accomplished, it will be possible to articulate a more precisely focussed industrial development strategy. It would also be desirable to try to develop a reliable monitoring program for industrial firms, industrial buildings and employment levels for each industrial area, so that updating of the industrial strategy can become a more effective on-going process.

Finally, it should also be noted that the Metro Planning Department is currently reviewing Metro's industrial strategy as part of its five year review of Metro Plan. Because the City's Plan must conform with Metro's Plan, it is important that City staff have input into Metro's assessment as the implications of their review may affect the City's industrial policies.

7 Program for Further Study

The previous sections of this report have reviewed the major policy areas of the Central Area Plan, and concluded that while the general goals and objectives of the Plan remain valid, for these goals to continue to have relevance in the coming years, new initiatives in many of the policy areas may be required. Accordingly, the need for further study and review in a number of areas has been identified.

This section contains a summary of the areas of further study. In addition, the need to establish appropriate mechanisms for broader reviews of the Plan, such as this one, is discussed.

7.1 Further Studies and Revisions to the Plan

7.1.1 Transportation

One important conclusion of this review is that the existing transportation system, with incremental improvements to GO transit and TTC services, plus some changes to the local road system, will provide adequate transportation capacity to serve the Central Area until around the year 1991. To adequately serve expected employment growth beyond this date, it is believed that regional road improvements in the form of the Front Street Extension and Gardiner Expressway widening will need to be in place and that a review of the need for additional rapid transit services into the Central Area will be required as recommended in the Network 2011 Strategy. However, beyond these most immediate priorities, it is difficult to accurately predict the need for and timing of other proposed Central Area transportation improvements.

It is considered misleading to attempt to define a rigid schedule for the implementation of a precisely defined set of Central Area transportation improvements over the next twenty or so years. As previous sections of this report have made clear, it is difficult to make accurate long-term forecasts of Central Area office space development and the effects of such growth on future employment levels and commuting patterns. These forecasts require assumptions to be made about many complex variables such as the FSW index, the impacts of technological change, changes in the Central Area labour force and changes in the level of other (non-office) activities. Consequently, this review recommends an incremental approach to transportation planning in the Central Area based upon an expanded monitoring and review process. In this context, the need for a number of additional studies related to this transportation planning approach have been identified.

A thorough review of Section 7 **Transportation** of the City's Official Plan is required in order to modify the City's transportation policies to better address the present problems associated with maintaining an adequate balance between land use development capacity and transportation capacity in the Central Area. The purpose of such a review would not be to reverse the general direction of the City's current transportation policies but to bring them in tune with the planning changes that have occurred over the last ten years. The revised policies should reflect the incremental approach recommended above which allows transportation improvements to be made in stages as identified by the enhanced monitoring and review process which is also to be added to the new policies.

7.1.2 Monitoring

A major theme of the discussion on deconcentration and transportation planning contained in this report has been the increasing levels of uncertainty that have resulted from recent changes in the economy of the Central Area and the region. Are the trends in FSW and occupational restructuring that have occurred in the past ten years likely to continue; are they likely to accelerate? Is the growth in part-time employment a short term, post recession, recovery phase, or is it indicative of permanent, structural changes? If it is the latter, how does this impact on travel behaviour, particularly peak hour travel? Recent trends have clearly demonstrated that growth in office space has not resulted in comparable increases in employment levels and consequently peak-hour travel demand. If these trends continue, the need for major transportation improvements may well be moved further into the future.

Trends in other, non-office sectors or activities in the Central Area also need to be monitored, including changes in the size and structure of the Central Area labour force.

A number of studies now underway as part of the Downtown Employment Studies may well provide some answers to these questions. However, it is likely that uncertainty regarding the impacts of many of these changes will continue into the future. For these reasons, the need for a broader on-going monitoring of economic trends has been identified.

This year City Council gave support to the new joint Central Area Monitoring Program (CAMP), which is being conducted by Metro, TTC and City staffs, with the financial assistance of the Province, to provide an enhanced data base for transportation planning decisions. Among other things, CAMP will be collecting annual data on:

1. employment changes (full and part-time) across all sectors of the Central Area economy;
2. Cordon counts for selected screenlines and at particular congestion points;
3. changes in the size and composition of the Central Area labour force and associated trends in residential construction;
4. journey-to-work patterns of a selected sample of Central Area residents; and
5. arrival patterns of office workers at a selected sample of Downtown office buildings.

In addition to these important areas of information, this review recommends that the monitoring process be expanded to include such other factors as:

1. the impacts of technological change on the composition of the Downtown office work force and associated changes in travel patterns;
2. the implications for the use of the existing office building stock of a trend towards the development of new technologically advanced or "smart" buildings;
3. the intra-urban migration of firms and the impacts of continued industrial and occupational restructuring;
4. changes in the level of non-office activities, particularly those related to the cultural, recreational and entertainment role of the Central Area (such as the impacts of Harbourfront and the Dome Stadium);
5. increased attention to trends in the modal split of peak period trips to the Central Area; and
6. the need for improved pedestrian facilities, particularly in the newly developing areas south of Front Street.

It is recommended that this expanded monitoring program be endorsed by City Council and later incorporated, in whole or in part, into the City's Official Plan. The experience of the last ten years indicates this broadening of the monitoring and review process to be warranted.

7.1.3 Housing

A number of housing policy questions have been identified in this report including many issues also raised by the Housing Policy Review Committee in its Living Room II report. Further study will be required in the near future dealing with:

a) A review of assisted housing policy options and the means to secure increased investment in assisted housing, including the possibility of a revised bonus policy, the establishment of assisted housing requirements similar to those introduced in recent Part II Plans for areas south of Front Street, linkage policies similar to those used in some U.S. cities, or some combination of these approaches.

b) Building upon the work of the Housing Policy Review Committee to identify an appropriate mix of housing types and determining, from the means available to the City, the best ways of securing this mix particularly in relation to ensuring an adequate supply of affordable housing for low and middle income groups. The City's housing strategies have also, in this regard, to be related to the broader set of housing problems as defined at the Metropolitan scale.

c) A review of problems which have been encountered since the introduction of the fsi option in mixed commercial-residential areas and identifying appropriate amendments to deal with them.

d) The implications of the aging high and low rise apartment stock, and strategies to deal with reinvestment in and the conservation of this stock.

7.1.4 Institutions

Two areas of further study are required in connection with the institutional policies of the Plan. The first deals with the issue of new institutions, particularly cultural institutions, locating outside the Institutional District. The lack of any clear policy direction for certain classes of cultural institutions, such as the Opera/Ballet, should be addressed. The "arts and entertainment" objectives of the instutitional policy, which were not updated at the time of the Central Area Plan, should be reviewed in the context of the overall policies and the experience of the last ten years. The effectiveness of the community services and facilities bonus also requires further study.

7.1.5 Heritage Preservation and Associated Studies

The required review of Section 1A.42 of the Plan is now underway. This review, together with associated heritage studies, will represent a comprehensive and much needed assessment of the City's heritage preservation policies, and will identify additional measures which may be required to ensure that the current stock of historic buildings is maintained.

7.1.6 Parks and Open Space

The elements of the Central Area parks and open space review were set out in Section 6.3 of this report. The review will establish an appropriate framework for the development of a comprehensive parks systems in the Central Area, building upon the initiatives and experience of the last ten years.

7.1.7 Industrial Strategy

A review of the industrial strategy is required to respond to changes that have occurred since the adoption of the industrial policy and the Selective Economic Development Strategy. This review will focus not only on trends in the larger economy, including the City, but will build upon the strengths of the existing industrial districts on the basis of detailed area studies, similar to that recently undertaken for the King-Spadina district.

7.2 Towards 1991

7.2.1 The 1991 Review

In addition to the studies noted above, an assessment of the policy options for a framework beyond 1991 must be undertaken. The Plan does not set out office space review limits beyond 1991. It will be necessary, therefore, to address the issue of the continued regulation of the rate of office growth to achieve deconcentration. This issue should be debated and resolved before the 1991 review date, to ensure that an appropriate framework will be in place when the existing mechanisms become inoperative. As part of this process it will also be necessary to establish the appropriate balance between transportation and employment growth and between growth in the Central Area and the suburbs to provide a continuing planning framework that will extend beyond 1991.

A framework for broad public discussion of all policy options must also be established. Consequently, a further report setting out the scope of the proposed research, a public discussion process and a timetable for reporting should be prepared.

7.2.2 Mechanisms for Broader Reviews and Monitoring

The Planning Act requires that official plans be reviewed every five years and another review of the Central Area Plan will be required in 1991. As noted above, a component of the 1991 review is already anticipated because the office review limits will run out. However, the other major policy areas of the Plan will again need to be assessed.

A review of the entire Part I Plan has not been undertaken in the past ten years, although Part II Plans have reviewed the provisions of the Plan on a local area basis. There is a clear need to develop a mechanism for broader reviews of the Plan.

Also, the City's Plan currently contains many review requirements, for different intervals of time (annually, bi-annually and quinquennially) and different geographical boundaries. However, these are scattered throughout the Plan and a clear statement of the general need for an overall review of the Plan is lacking. In addition, review mechanisms for Part II Plans do not currently exist.

The general issue of Plan reviews is one which should be looked at in more detail and rationalized. Included in this process should be a comprehensive look at the most appropriate boundaries for certain types of monitoring exercises and review limits. For example, office space is permitted outside the limits of the Central Core, but monitoring and review limits relate to the Core only.

It would be appropriate to develop a comprehensive monitoring and review program for the entire Official Plan. Such a program should be located in a separate and distinct section of the Plan for easy reference.

7.2.3 Other Reviews and Technical Amendments

Elsewhere in this report reference was made to a number of provisions of the Plan that are inoperative because the time frame has passed (for example the early review triggers for office growth in High Density Mixed Commercial-Residential Areas). A technical review of the Plan to remove obsolete provisions is required. In addition, other reviews of certain sections of the Plan are outstanding and should be completed. For example the review of Section 1A.46(a) regarding the closing and selling of streets and lanes should be completed. Also, a review of Section 8 "Implementation" is needed as it relates large scale developments and in particular with reference to Metro Centre.

Finally, in the ten years since the adoption of the Central Area Plan numerous Official Plan amendments have been approved by Council. At this stage, it would appear useful to review, summarize and classify these amendments. Such an exercise would illustrate the general principles upon which the various classes of amendments have been based and how, in broad terms, the various sets of amendments have sought to extend or develop upon existing Plan policies. This type of analysis of the changes that have been made to the Plan would provide a useful reference source for both resident and business interests in the City. In particular, the analysis of past site-specific Official Plan amendments might provide a valuable perspective from which to elvaluate or consider future such proposals.

As an administrative matter, it should be pointed out that most of the study items outlined in this final section of the report are either already underway or are contemplated as part of the on-going work program of the Planning and Development Department. In the few remaining study areas where staff have yet to be assigned, it is expected that the proposed work program, if approved by Council, will be largely accomplished through the re-allocation of existing staff resources. Consequently, at this point, it is not expected that Council's adoption of the work program proposed in the recommendations of this report would lead to any significant changes to overall staff requirements in the Planning and Development Department.

8 Recommendations

1. That the Land Use Committee recommend to City Council the acceptance of this report and the accompanying Summary Report and Background Papers in fulfillment of the Official Plan requirement for the 1986 Quinquennial Review.

2. That the Land Use Committee recommend to City Council that it endorse the program of study set out in Section 7 of this report.

3. That, pending the completion of item 2 listed in the Study Program of Recommendation 4, the Land Use Committee recommend to City Council that it endorse in principle the expanded monitoring program outlined in Section 7 of this report.

4. That the following timetable for submission of the reports proposed in the program of study be adopted.

Study/Report	Completion Date
1. Transportation (Section 7) Review	December 1987
2. Development of a Comprehensive Review and Monitoring Program for the entire Official Plan	June 1987
3. Housing Studies	
a. Alternative Approaches to Assisted Housing Production	
Phase 1: Options	March 1987
Phase 2: Recommendations	July 1987
b. FSI/UPH Review	June 1987
c. Rental/Condominium Policy	December 1987
d. Conservation of the Apartment Stock: the St. Jamestown Pilot Project	December 1987
4. Heritage Preservation	June 1987
5. Parks and Open Space	December 1987
6. Institutional Policy Review	September 1987
7. Industrial Strategy Review	December 1987
8. Framework for Study Toward 1991	December 1987
9. Technical Review of the Plan (Various)	Various, 1987 & 1988
10. The Site Specific Approvals Process	September 1987

Appendix 1

1 Review Requirements Related to Deconcentration

Section: 1A.4 It is the policy of Council to promote the deconcentration of office employment within the metropolitan area by:

(a) adopting land use policies within the *Central Core* appropriate to the achievement of this policy;

(b) encouraging the development of the transportation system to facilitate a deconcentrated form of metropolitan growth;

(c) encouraging the Metropolitan and Provincial levels of government to adopt and implement plans for the development of office-employment sub-centres in the metropolitan area; and

(d) ensuring that future office employment growth within the *Central Core* will be compatible with the capacity and the anticipated utilization of the existing transportation system serving the *Central Core* together with improvements to that system which were under construction or committed for construction on September 30, 1975.

Section: 1A.5 (a) In implementing its policy of promoting office employment deconcentration within the metropolitan area, it is Council's objective to maintain the rate of office growth in the *Central Core* below a level which, in Council's opinion, would result in an aggregate total of existing office space in the *Central Core*, including both space which is constructed and under construction, of 5.8 million square metres by 1981, 6.4 million square metres by 1986, and 7.0 million square metres by 1991. The continued appropriateness of these aggregate totals will be the subject of quinquennial reviews. If, as a result of such a review, Council determines that one or more of the aggregate totals are inappropriately low or high, it is the policy of Council to amend this Plan to increase or decrease such total or totals to an appropriate amount or amounts.

(b) In conducting reviews pursuant to Section 1A.5(a), it is the policy of Council to consider the following:

(i) annual reports on the rate of growth of office space in the *Central Core*, including information on the issuance of building or demolition permits and actual office construction or conversion; and

(ii) annual reports respecting office rent levels; and

(iii) quinquennial reports on trends in office space occupancy rates and utilization ratios, and on the time period between the date of issuance of

building permits for office buildings and the commencement of use of such buildings for office purposes in the *Central Core*; and

(vi) quinquennial status reports on the rate and distribution of office space development which has occurred in the metropolitan area outside of the *Central Core*; and

(v) quinquennial status reports on the development, capacity and utilization of the transportation system within the metropolitan area.

Section: 1A.6 (a) Since the *Financial District* is the most accessible area within the *Central Core* by all regional and local modes of transportation, is the area within which firms which are most dependent on face-to-face contact for the efficient conduct of business are located, and is established as the major office employment centre in the metropolitan area, it is the policy of Council to assign first priority to the *Financial District* as a location for future office development in the *Central Area*.

(b) In order to facilitate the provision of a ready supply of office space in the *Central Core*, and in order to accommodate the establishment and expansion of firms which engage in finance-related activity, it is the policy of Council to permit office development to proceed in the *Financial District* as of legal right of the maximum *commercial density* permitted by this Plan in the *Financial District*, subject to the other provisions of this Plan.

Section: 1A.7 (a) It is the policy of Council to establish second priority areas for office development outside the *Financial District* and within the *Central Core* in order to maintain a broad range of opportunities for office development in the *Central Core*, and to allow price competition to continue in the market for office space between the *Financial District* and other parts of the *Central Core*.

(b) In second priority areas in the *Central Core* designated as *High Density Mixed Commercial-Residential Areas* on the Generalized City Plan Map, Council will regulate the supply of new office space in accordance with the provisions of this Plan in order to facilitate achievement of its policy of promoting office employment deconcentration and to ensure that the total level of office employment in the *Central Core* is maintained in balance with the capacity the anticipated utilization of the existing transportation system serving the *Central Core*, together with improvements to that system which were under construction or committed for construction on September 30, 1975.

Section: 1A.8 Council will monitor the implementation of its policy of promoting office employment deconcentration from the date of adoption by it of this Plan. Within three months after the end of each five-year period, the first of which commences on February 1, 1976, Council will review the facts as ascertained by it to determine whether its objective relating to the rate of office growth in the *Central Core* is being achieved.

Section: 1A.10 (a) Notwithstanding Section 1A.8, if, after February 1, 1976, and before the end of the five-year period commencing on that date, building permits are issued for buildings to be erected in the *High Density Mixed Commercial-Residential Areas* which are to contain office space to an aggregate *gross floor area* of 370,000 square metres, the first review referred to in Section A1.8 shall be completed within three months following the date of issuance of such building permits or the latest of them. Each of the following five-year periods referred to in that Section shall be determined from the date of the issuance of such building permits or the latest of them.

(b) Notwithstanding any other provision of this Plan, it is the policy of Council to pass by-laws in *High Density Mixed Commercial-Residential Areas* to require that buildings in a single development which contain a *commercial gross floor area* of 47,000 square metres or more, also provide housing at a *residential density* as set out in Sections 3A.3(i) and 3A.3(j).

Section: 1A.11 Notwithstanding Section 1A.8, if during the second or a subsequent five-year period referred to in it, building permits are issued for buildings to be erected in the *High Density Mixed Commercial-Residential Areas* which contain office space to an aggregate *gross floor area* of 280,000 square metres in addition to the aggregate *gross floor area* referred to in Section 1A.10, the second or subsequent review referred to in Section 1A.8 shall be completed within three months following the date of issuance of such building permits or the latest of them. Each of the following five-year periods referred to in that Section shall be determined from the date of issuance of such building permits or the latest of them.

Section: 1A.12 In conducting the reviews referred to in Sections 1A.8, 1A.10(a) and 1A.11 Council will consider the following factors:

(a) the capacity and utilization of the existing transportation system serving the *Central Core* together with improvements to that system which were under construction or committed for construction on September 30, 1975;

(b) the appropriateness of the utilization ratio of office floor space per worker, in terms of the conditions which apply at the time of the review;

(c) he extent to which advantage has been taken of the density policy of this Plan which encourages the retention of designated buildings of historical or architectural value or interest;

(d) the extent to which lands designated for *commercial* purposes are used for purposes other than office development;

(e) the amount of *commercial* floor space for which building permits have been issued in the *Central Core*; and

(f) whether such building permits have been acted upon by the commencement of construction of buildings.

2 Review Requirements Related to Historic Preservation

Section 1A.12 (c) the extent to which advantage has been taken of the density policy of this Plan which encourages the retention of designated buildings of historical or architectural value or interest;

Section 1A.42 (c) It is the policy of Council to review the effectiveness of the policy set out in Section 1A.42(b) in securing the retention of buildings and structures which have been designated as having historic or architectural value or interest, at least once every two years from January 31, 1976. Notwithstanding Section 1A.42(b), if, following any review, Council is of the opinion that the policy has not been effective and so resolves, Council may, in Mixed Commercial-Residential Areas, increase the gross floor area on the lot permitted to be excluded from the calculation of the density of the development, up to a maximum gross floor area equal to 25 percent of the area of the lot multiplied by the constant in the mixing formula which applies to the lot, provided that in so doing, Council has regard for all other relevant provisions of this Plan.

3 Review Requirements Related to Parks and Open Space

Section: 5.23 (a) Council's short-term parks goals for the *Central Core* is the achievement of a basic parks system in accordance with this Plan by the end of the year 1985.

(b) In order to provide a basic parks system for the *Central Core*, it is the objective of Council to ensure that no places of employment or residence are further than 200 metres walking distance from either a local park or a district park.

Section: 5.30 (a) Council will review annually the progress of the City toward meeting its objectives for the achievement of a basic parks system for the *Central Core*, Council will establish annual targets for parks acquisition and development in the *Central Core*, in accordance with Map 7, **Central Core Parks Development Program** which forms part of this Plan.

(b) Notwithstanding the parks development priorities shown on Map 7, Council, by resolution, may adjust its priorities in order to ensure that an adequate parks system will be available in *High Density Mixed Commercial-Residential Areas*, in conjunction with the development of housing.

Section: 5.33 It is the policy of Council to review the performance and utilization of the basic parks system for the *Central Core* as it is developed according to this Plan. Council will undertake studies, based on this review, in order to define a long-term parks system for the *Central Area* with a view to adopting a program before the end of the year 1985 for the achievement of such a system.

4 Review Requirements of the Planning Act

Section: 26

(1) The Council of every municipality that has adopted and had approved and official plan shall from time to time, and not less frequently than every five years, hold a special meeting of Council, open to the public, for the purpose of determining the need for a revision of the official plan.

(2) Notice of every special meeting held under subsection (1) shall be published at least once a week in each of two separate weeks, such publication to be completed not later than thirty days before the date of the meeting, and the council shall afford any person who attends the meeting an opportunity to be heard in respect of the need for a revision of the plan.

(3) Despite subsection (1), the Minister may, at any time, direct the council of a municipality to undertake a revision of any official plan or part thereof in effect in the municipality and when so directed the municipal council shall cause the revision to be undertaken without undue delay.

Appendix 2

Amendment to Section 7 of the Plan: Transportation

1. Section 7 of the Official Plan is amended as follows:

(1) by inserting immediately below the heading "Transportation" the sub-heading "TRANSPORTATION AND LAND USE";

(2) by deleting from Section 7.2(a) the words and number "Notwithstanding any other provisions of Section 7, Council shall", by substituting therefor the words "Council will", by deleting the comma following the word "services", and by deleting the words "predominantly modes of a mass transit" and the comma following such words;

(3) be deleting from Section 7.2(b) the words and number "Notwithstanding any other provisions of Section 7", and the comma following such words and number;

(4) by inserting in Section 7.3(a), before the word "Council", the words and number "Subject to Section 7.8" and a comma, and by deleting the word "rapid";

(5) by re-numbering Sections 7.2(a), 7.2(b), 7.3(a) and 7.3(b) as 7.3(a), 7.3(b), 7.4(a) and 7.4(b), respectively;

(6) by inserting after Section 7.1 Section 7.2, as follows:

"7.2 Council will encourage the development of an urban form for the metropolitan area which would be compact, place homes and jobs close together, and support public rather than private transportation."

(7) by deleting the word "PUBLIC" from the heading which appears above Section 7.4 and by deleting Section 7.4;

(8) by deleting from Section 7.5 the words and number "Notwithstanding any other provisions of Section 7", and the comma following such words and number;

(9) by deleting the heading "EXPRESSWAYS" which appears above Section 7.7, by deleting Section 7.7, by re-numbering Section 7.6 as Section 7.7 and by adding the following sentence thereto:

"Furthermore, statements concerning the anticipated community and environmental impact of such proposed facilities on the areas through which they pass or might otherwise affect shall be provided in order to help ensure that adequate attention is given to these concerns."

(10) by inserting the following as Section 7.6:

"7.6 It is the policy of Council that, where it is indicated by planning and/or operational requirements, transit vehicles and, where appropriate, taxis, shall be given priority over other road traffic."

(11) by deleting Sections 7.8, 7.9 and 7.10 and inserting in lieu thereof the following:

"7.8 Council will support the investment in new, major transit facilities as a strategic element in the achievement of long term land use planning objectives, provided that:

(i) it has been demonstrated that the proposed facility provides the greatest net benefit compared to all other reasonable alternatives;

(ii) there exists both the potential and the reasonable commitment for sufficient future development growth in the area served by the facility to enable the demand for its use to increase, within an acceptable period of time, to a level which makes the operation of the facility as financially self-supporting as the rest of the transit system;

(iii) any subsidies to meet above-average operating losses incurred by the facility do not detract from the amount of funding available to support the operation of the remainder of the transit system."

"7.9 Council will favour the maintenance of local service aspects of public transit and will oppose policies which undermine local transit in achieving other objectives."

"7.10 It is the policy of Council to regularly review the financial and operating policies of the Toronto Transit Commission in order to ensure that TTC policies are consistent with those of the City and that there is adequate provision of transit services in the City and, where such review identifies the need, to adopt measures and recommend policies to safeguard the City's interest in these matters."

(12) by deleting Sections 7.11 and 7.12 and inserting in lieu thereof the following:

"7.11 It is the policy of Council that no new expressway or extensions to expressways be built within the City."

"7.12 It is the policy of Council that no new arterial roads, extensions to arterial roads or arterial road widenings be undertaken in the City: Council may consider exceptions where such measures are necessary to achieve one or more of the following objectives:

a) improve safety and local convenience;

b) relieve unacceptable, localized traffic congestion on an arterial road resulting from the diversion of through traffic by the implementation of a through traffic control scheme on nearby local streets;

c) facilitate truck movement within industrially-designated areas;

d) improve surface transit.

Any proposals for new arterial roads, extensions to arterial roads and major arterial road widenings are to be accompanied by an adequate study establishing the need for such measures and, in addition, include appropriate examination of the impact of such measures on the social, economic and physical environmental of the affected areas."

(13) by deleting Sections 7.13 and 7.14 and by inserting in lieu thereof the following:

"7.13 Council will undertake a study of the transportation system within the *Central Area* and introduce such measures as are appropriate to improve transit, pedestrian, bicycle and other traffic mobility in that area."

"7.14 It is the policy of Council to limit, within the City, the use of local streets by truck traffic and through traffic by implementing a variety of controls on the use of vehicles such as measures to restrict or reduce the movement and parking of vehicles."

(14) by re-numbering Section 17.15 as Section 7.17, be deleting the word "new" from subsection (i) of Section 7.16, by re-numbering Section 7.16 as Section 7.18, and by inserting the following as Section 7.15:

"7.15 It is the policy of Council that:

(i) parking will be encouraged where convenient transfer may be made from automobile to public transportation and where the provision of parking facilities would promote the use of rapid transit for travel in the City;

(ii) within the *Central Area*, increased emphasis will be placed on the provision of adequate parking spaces for non-commuter traffic, and the supply of all-day parking spaces for all-day commuter parking will be controlled in such a way as to limit the use of the private automobile for this purpose and to encourage the use of transit for these trips."

(15) by re-numbering Section 7.13(a) as Section 7.16, by deleting therefrom the words "It is the policy of Council to" and by inserting in lieu of such words the words "Council may";

(16) by adding at the end of Section 7 the sub-heading "PARTICULAR ISSUES" and immediately below such words Section 7.19 and 7.20, as follows:

"7.19 It is the policy of Council to implement programs which facilitate and support greater and safer use of the bicycle, including the use of the bicycle for utilitarian purposes including commuting, shopping and visiting."

"7.20 It is the policy of Council to encourage and undertake programs aimed at improving the City's transportation system, including public transit, roads, parking facilities and sidewalks, so that it is more accessible to and usable by people with mobility problems, including the disabled and elderly."

2. Map 1, the Generalized City Plan Map, is amended by deleting the solid dark line designated the "Scarborough Expressway" and the said words "Scarborough Expressway", and such Map is amended by terminating the solid dark line designated the "F. G. Gardiner Expressway" at a point coinciding with Leslie Street.